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ON EVE OF PEACE TALKS

Gov't Delegates Busy Holding Consultations Meanwhile War Goes On

Shanghai, March 28

Preparations for peace talks and further fighting continued side by side in Nationalist China today on the eve of opening of formal negotiations for a settlement of the civil war.

India Ends Europeans' Privileges

New Delhi, March 28.
The Indian Parliament today passed without a debate a bill abolishing the existing discriminations in favour of British and other Europeans, and Americans in the criminal law of India.

The passage of the bill took less than five minutes and was loudly cheered by the House.

The Home Minister, Mr. Vallabhbhai Patel, moving the bill, said: "Now that the country is free, the focus of racial discrimination must disappear from the statute book."

The passing of the bill marked the final step in the removal of nearly two centuries of special privileges for Europeans. In 1925, a similar bill was introduced by Sardar Patel's elder brother, Vallabhbhai Patel, and adjourned indefinitely.

China Reds' New Charge Against U.S.

Nanking, March 28.
The Communist controlled press in Peiping has charged that B-29 bombers with American markings carried out raids which destroyed the cruiser Chungking at Hulutao on March 19 after it defected to Communism. It was reliably learned today.

The Chinese press in the Red capital also carried an official Communist handout which said three American submarines appeared off Hulutao on March 20 as part of the same operation.

The Chungking was knocked out by Nationalist bombers which scored three hits with 1,000 pound bombs on March 19 and March 19. The Communist radio subsequently admitted destruction of the vessel at its mooring in the Manchurian port of Hulutao and said the raids were carried out by American-made B-29s.

American Naval authorities in Shanghai have denied that any American submarines operated near Hulutao at that time.

Associated Press.

About 100,000 Reds Operate In S. China

Canton, March 28.
There are nearly 100,000 Communist irregulars operating in South China, according to an unofficial Chinese source.

Known officially as "bandit groups," the irregulars are believed to be well-armed.

According to a local Chinese newspaper there are 30,000 Communist irregulars in Hainan Island, 10,000 on the Kwangtung-Kwangsi border, 8,000 in Southern Kwangtung, 7,000 along the upper West River area, 10,000 in Northern Kwangtung, 7,000 in the Central part of the province, 6,000 in the East River area and 21,000 along Kwangtung's seacoast.

Though the unofficial estimate may be exaggerated, there has been a steady and progressive increase in Communist irregulars in the past three years.

Official figures show that in 1947 there were under 10,000 "bandits," there were 10,000 in 1947, nearly 20,000 in 1948 and 30,000 now.

Nationalist troops mustered along the Yangtze River were reported to be kept busy strengthening defences at all vital crossing points as further Communist deployments took place on the North bank.

Despite the imminent opening of peace talks, Nationalist military circles are said to be expecting an early Communist offensive, aimed at eliminating many scattered Nationalist bridgeheads on the North bank of the river.

Anking was quiet today after the fighting of the last three days between Communist and Nationalist troops, the latest despatches received here said. Reports said there had been no fighting in or near the city within the past 24 hours.

Anking is a strategic Nationalist bridgehead on the North bank of the Yangtze, about 200 miles South West of Nanking.

Nationalist military authorities yesterday ordered the evacuation of dependents and non-essential personnel from Government-held bridgeheads on the North bank of the Yangtze opposite the Nanking-Shanghai area. In issuing the order, Nationalist Army Headquarters at Chinkiang said the action was taken because there has been no abatement in Communist military activity in that area despite the imminent peace negotiations in Peiping. Chinkiang is the provincial capital of Kiangsu, about 40 miles East of Nanking.

Round Of Discussion

Meanwhile the Nationalist peace delegates have begun a round of consultations in the capital to ascertain the views of all sections of the Kuomintang Government before they fly to Peiping on Thursday to begin formal peace negotiations on Friday with the Communists.

Today they met the President of the Control Yuan, Mr. Ya Yuan-jen, head of the Government's highest supervisory body, and later legislators. Tonight they are meeting the President and the Prime Minister. Tomorrow, they are scheduled to confer again with other local officials and on Wednesday they will meet Kuomintang's policy-making organizations, the Central Executive Committee and the Central Political Council.

The leader of the delegation, General Chang Chih-chung, today confirmed that the delegates would not go to Chikow to see Generalissimo Chiang Kai-shek before they leave for Peiping.

He said it was probable that the first discussions in Peiping would be of a preparatory nature, fixing the form of negotiations. General Chang said that he would never be pessimistic about the outcome of negotiations.

Compromise Possible

Despite the Communist Radio's reiteration on Saturday night that the forthcoming peace talks would be based on the Communist leader, Mr. Mao Tse-tung's eight peace terms, laid down in his January 14 statement, informed observers here expressed the belief that both sides would probably make concessions on more controversial points in an effort to achieve a settlement.

The Nationalist delegation thought, would urge that Condition No. 1—the punishment of criminals—be modified and to be limited to a complete elimination from Chinese politics of such leaders as have been ardent supporters and advocates of the civil war. Condition No. 2—the abrogation of the Constitution—be deferred until a new National Assembly could be elected. Condition No. 3—the abolition of the present political system—be implemented as soon as a Coalition Government has been formed.

Condition No. 4—the reorganization of the army—carried out on the principle of the nationalization of the armed forces. The Nationalist delegation may suggest that a sort of plebiscite be held among the troops themselves for or against remaining in the army.

Condition No. 7—the abolition of "traitorous" treaties—be effected only after a careful study of the existing agreements. Condition No. 8—the banning of "reactionary" elements from the Political Consultative Conference—be given the most liberal interpretation possible to permit of the maximum number of Kuomintang members attending the projected Consultative Conference.

Conditions Nos. 5 and 6—the confiscation of bureaucratic capital and the enforcement of land reform—were expected to be accepted by the Nationalist delegates without discussion as similar measures which had been advocated by Nanking.

Observers consider the question of army reorganization will be the major hurdle to be overcome in the peace talks.

Reds Impatient

Some sources close to official Nationalist quarters said peace delegates were likely to reach Peiping with a long agenda of items for discussion and may have to refer all important proposals to Nanking for final decision.

Observers think that if this happens, the militarily dominant Communists might soon become impatient. The prospect of a full-scale Communist attack across the Yangtze beginning on May 1, however, seems more probable than peace, they said.

May 1 is predicted by military observers as the date for the attack because the water level of the Yangtze will then be most advantageous for Communist military operations. Reuters and Associated Press.

ON OTHER PAGES

Page 2—Kowloon Residents Association Meeting.
Page 3—Murder Trial.
Page 4—Trouble Expected in Australia.
Page 5—Russia As Much To Blame As US.
Page 6—New Era of Amity in Power Struggle.
Page 7—Senators Oppose Arms Aid Japan.

ATTRACTIVE HATS



Her Majesty Queen Elizabeth and H. R. H. Princess Elizabeth both wore very attractive hats when they visited the Slatter Gallery in Bond Street, London recently to see an exhibition of Dutch and Flemish paintings organized in memory of Ralph Warner.—Associated Press Photo.

Over-Size Frogs Hop Here From New York

Eighty-four frogs the size of chicken hopped into Hong Kong yesterday—all the way from New York.

The oversize croakers came into Kai Tak by Pan American plane from Manila. They are on their way to the Singapore "frog farm" of Mr. Ho Chew-hock, who intends to breed them to sell for eating purposes.

Mr. Ho, who was at the airport to meet the "emigrants," said that these are not the ordinary, garden-variety frog known in Hong Kong and Singapore that are somewhat scorned by cooks. He said that these are giant-type bullfrogs "as big as chicken" and weigh three to four pounds each.

One of the crates had a hole one end where the croakers could read in to test this statement. In the course of the afternoon a steady procession of airfield personnel and visitors withdrew their hands with awed expressions and nods of confirmation, leaving the frogs in a state of fright.

Mr. Ho explained that the idea for his "frog farm" dated back to pre-war days. It originated in a book he had read. War interrupted his plans, so the two croakers of frogs now on their way to Singapore are experimental. They will be the first one of their kind in Singapore.

If they breed well, the 84—42 pairs—bred well in the tropical climate. Mr. Ho will raise them for Singapore's hotels and restaurants. "They taste like spring chicken," he declared. "In Paris they actually pass for spring chicken." In Singapore a chicken today costs HK\$1.20. He expects to sell his giant bullfrogs for HK\$4 apiece—if they cooperate. At present, because they are so rare there, he estimated the frogs were worth about HK\$100 each.

"Eventually we hope to export them to various places," Mr. Ho added. "And Hong Kong is only a few hours away by air." In case the gourmets in out-mid become too drooly, however, it will probably be over before any of the descendants of Mr. Ho's imported stock appear on the market.

They may not all turn up on platters either. Mr. Ho said that some might be used for laboratory purposes in medical colleges.

They Are Very Quiet

Whether all the hustle and bustle around them had frightened the frogs into silence or whether the darkness of their surroundings had simply made them sleepy, Mr. Ho did not say. But they were the quietest 84 live bullfrogs the size of chickens that ever huddled together on a Kai Tak air-strip. Mr. Ho did not favour suggestions that the lids

French Govt Wins County Elections

Paris, March 28.
France's middle of the road coalition swamped its Degaulle and Communist opponents in the cantonal (county) elections which ended yesterday.

The parties making up the present Government won 1,082 seats to 399 for the Degaulleists and 37 for the Communists. Ninety-nine seats went to independents. The Degaulleists won more seats than any single party.

The election was for general councillors who help run the departments. It has no effect on Parliament or the Cabinet but was important chiefly as an indication of popular feeling. There was no voting in Paris where the Communist vote generally is large.

Associated Press.

Enemy Plane Strafes Military Convoy

An enemy aircraft strafed an Army convoy of some 10 vehicles in the New Territories yesterday in the first phase of Exercise Lancer which began in the morning. There was no report of casualties.

Between 4,000 and 5,000 armed men, supported by one or two aircraft, are concentrating near the border to embark on a looting expedition.

The situation in the Colony was tense throughout yesterday but no incidents occurred. Riot squads were mobilised.

The Army and the Navy were also ordered to stand by to assist the civil authorities in the event of the situation developing beyond police control.

When intelligence reports were received that a local bandit chief had gathered a force of between 4,000 and 5,000 men with arms and an odd aircraft, Army units were deployed to strategic and operational areas in the New Territories throughout the day.

Air reconnaissance by the RAF resulted in the observation of small bands moving in the countryside. The big concentration of suspected marauders was not spotted.

The authorities expect the subversive elements in the Colony to strike today in the form of food riots, looting, and attacks on police stations.

Reform Club Attacks HK's 1949-1950 Budget As 'Cold-Blooded' One

"The 1949-50 Budget is a 'cold-blooded' one in the sense that it makes provision for every conceivable Government need, but relegates to the limbo of the forgotten the poor taxpayer, who is left on his own beam-end where public amenities and his recreational facilities are concerned."

The foregoing was part of the speech delivered by Mr. F. E. d'Almeida Remedios, Hon. Secretary of the Reform Club at its third public meeting at the Roof Garden of the Hong Kong Hotel yesterday.

At the commencement of the meeting, Mr. T. A. Martin, Chartered Accountant and Club Treasurer, rose and delivered his address to the gathering of about 200 persons on the subject of the 1949-50 Budget.

Mr. Charles Loseby, Club President, announced yesterday that the next meeting of the Reform Club would be held at the same place on Thursday, April 14.

The meeting tonight, he said, will illustrate the organisation methods of the Reform Club. Mr. Martin, he said, is the Chairman of the Club's Financial Affairs committee.

"I shall be disappointed if within a reasonable period of time Mr. Martin does not succeed in collecting around himself some of the best money brains in this place," Mr. Loseby stated.

Mr. Martin Speaks

Commencing his speech, Mr. T. A. Martin said: "I am deputised this evening to give you the picture, as I see it, of the Estimates of Revenue and Expenditure."

BUDGET DEBATE

The Budget Debate will take place at the Legislative Council meeting tomorrow afternoon. The Second Reading of the Budget will be moved by the Financial Secretary.

Expenditure of this Colony for the year ending March 31 1950. "I hope that your interest in the debate, which will follow on the subsequent readings, before the Bill becomes law, because you have doubtless felt, as I have, that with direct taxation in the form of Business Profits Tax, Interest Tax and Salaries and Annuities Tax, now in full swing, this aspect of the Colony's activities is more than ever a personal one."

The figures and references emanating from the Financial Secretary when introducing the Bill can only be appreciated after careful study of this 100-page book and such a study involves an analysis of practically every page.

In the first place the headings of expenditure must be read with many reservations. For instance, let us endeavour to ascertain the principal burden of cost, that is Salaries and Wages or in Government parlance, Personal Emoluments.

"This is a little difficult as they are distributed over almost every page of the Estimates under different departmental heads. "It may be argued that such distribution facilitates comparison of the costs of running each Department but here again you are led up the garden path because entries under such headings as 'Miscellaneous Services', 'Subventions', 'Public Works Extraordinary', and 'Rehabilitation Loan Expenditure' are in fact expenditures on Medical Services, Education, the Railway, the Police, Defence and so on, all of which have a vital bearing on the costs of these Departments."

"I have, therefore, re-arranged the headings of expenditure to enable you to form what, I venture to say, is from our point of view (the humble taxpayer) an intelligent appreciation of where our money is going."

\$180,000,000

"Government wants \$180,000,000 from you this coming year, and in addition wishes to borrow, and spend, a further \$40,000,000. Dealing first with the \$180,000,000 to be collected in revenue, what is it spent on?"

"Here is the payroll—a necessary 'first' with any organisation: 'Salaries of Pensionable Staff including gratification pay (\$3,000,000) \$31,000,000"

"Salaries of non-pensionable staff including gratification pay, overtime allowances, etc., \$14,000,000"

"Cost of Living Allowances \$28,000,000"

"Transport of Government Officers (Passages) \$1,750,000"

"Pensions \$7,000,000"

"Making a total disbursement of \$81,450,000"

"Likewise Hong Kong's revenue picture is the proverbial cherry. The first bite represents more than \$45 for every \$100 to be collected in revenue."

"Now come what are described as 'Other Charges'."

"These are the expenses incurred in running Departments like Fuel, Light and Power, Rent of Offices, Travelling Expenses, Uniforms, Upkeep of vehicles,

stamps, and equipment, together with those expenses that are peculiar to the particular department concerned—like subsistence allowances, to unqualified teachers in training for the Education Department; training, equipment and clothing and camp pay for the Defence Force; consumption of coal and fuel oil for the Railway; repairs, improvements, stores, coal and fuel for the Marine Department; conveyance of mails for the Post Office; subsistence of prisoners for the Prisons Department; maintenance of Buildings, Crown Lands, Drainage, Port Works, Roads, Waterways, and Transport for the Public Works Department; and so on for the 40 odd Departments forming the Administration of this Colony."

Other Charges

"All these 'Other Charges' are estimated to cost \$47,000,000. That figure, the second bite, represents just more than 28 out of every \$100 collectible in Revenue."

"Now we must have a nibble off that cherry for the interest and servicing of our public debt, which will cost \$5,500,000 and representing 3 out of every \$100 of revenue collectible."

(Continued on Page 11)

Bomber Hits Mount Fuji, Four Aboard

Tokyo, March 28.

A U.S. Air Force B-28 bomber with four men aboard ploughed into the side of Mount Fuji late yesterday and fell East Air Force Headquarters said it did not know whether any men had survived.

Headquarters said a First Cavalry Division rescue party had set out for the scene but was hampered by a snowstorm on the mountainside.

The authorities said the crash was reported by ground force troops at Camp McNeil on the north slope of the famous mountain. The troops heard the crash a few minutes after the plane had passed over the camp.

The plane was flying from Misawa air base in Northern Honshu on a navigation-training mission. It was bound for Komaki airbase near Nagoya.

Later Reuters reports that the wreckage of the B-28 light-bomber was located about 11.00 a.m. today from the air by a helicopter.

Snow, ice and fog are so hampering the climb of the rescue parties that it is feared none of them will be able to arrive at the scene of the disaster today.—United Press and Reuters.

For That "Second Wind" —Pause for Refreshment



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Did He Kill His Employer And Elope With Concubine?

A sordid story about a man who is alleged to have killed his employer and friend while eloping with the latter's concubine was related before Mr. Justice Williams (Puisne Judge) at the Criminal Sessions yesterday. The mutilated and decomposed body of Wong Yau was found by a grass-cutter at Lantau Island, where the persons involved in the case lived most of the time.

The discovery was reported to the police, and subsequent investigations led to the arrest and indictment of Wong Fuk-lam. Wong is being charged before a jury of six men and one woman with the alleged murder of Wong Yau.

Accused is being represented by Mr. Poon instructed by Mr. F. D. Hammond.

Conducting the case for the prosecution is Crown Counsel Mr. M. Heenan assisted by Mr. C. Molloy, Assistant Director of Criminal Investigation.

According to the prosecution, Wong Fuk-lam is alleged to have murdered Wong Yau on or about August 24, 1938.

Proceeding, Crown Counsel stated that practically all the events occurred on Lantau Island.

At the time of the alleged crime he continued, Wong Yau was a farmer living at a certain village, where he owned two small Chinese-style houses, and made his living by selling seaweed.

Wong Yau had a concubine, after his first wife had died some time ago. After his marriage to Chan, Wong Yau went over to Li Kai-mut for a few months to obtain some money, and returned to the village.

She, by the way, in return to the village, Mr. Heenan continued, which was in April 1939, Wong Yau went to Hong Kong and there took Li as his concubine. There was a short ceremony by which Wong took Li as his lawful concubine, in the presence of his first wife, Chan. The arrangement was made by the accused Wong Fuk-lam.

Wong Yau and his concubine then lived together in one of his two houses in the village, and the first wife lived in the other one.

Three Lived Together

It would seem, Counsel said, that all three lived quite harmoniously at first and shared the farming duties and chores.

Some two or three months later, Mr. Heenan stated, Wong Yau adopted the accused, Wong, as he required more assistance in running his farm. Thereupon, the accused went to live with Wong Yau and his wife and his concubine, after which time Wong Yau took the accused to Hong Kong where he found a job for him on a ship.

There was some suggestion, Counsel said, that Wong Yau was a little unhappy about the friendly way his concubine and the accused were getting along. On three occasions during the year, the ship on which the accused worked, visited Hong Kong. On each occasion, the accused was visited by the concubine, who received some money from him.

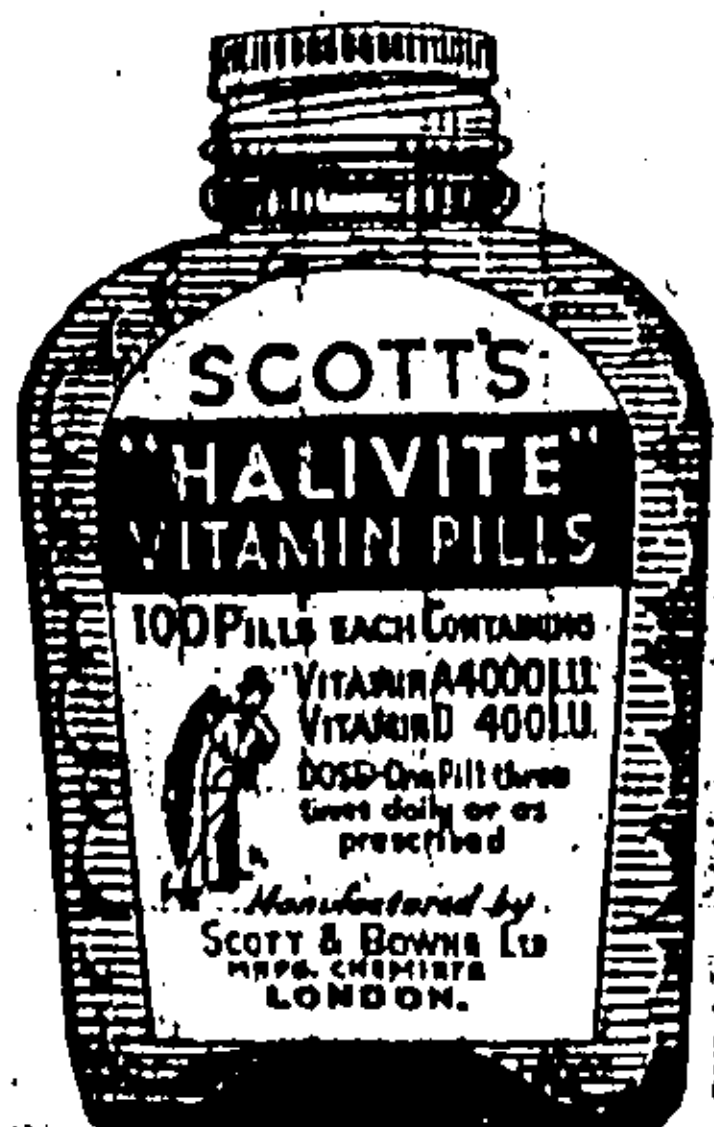
Wong Fuk-lam eventually lost his job about the ship, Counsel stated. On his return to the village in company with the deceased's concubine, he was laughing and joking, which came to the notice of Wong Yau, the deceased, and which seemed make him angry.

However, the four of them went on living in the same way as they had done before, Mr. Heenan told the court.

Crown Counsel went on to say that things went on smoothly until about June, when it became clear that the deceased was finding more fault with his concubine and reached the stage where he occasionally assaulted her.

He Beat His Concubine

One night in June, Wong Yau, struck his concubine on the side with a piece of wood. Following this, she went outside the house,



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and met the deceased's wife, to whom she said she could not bear these assaults much longer and that she was contemplating suicide. Chan, however, succeeded in talking the concubine out of her way of thinking.

Early the next morning, the deceased caused Li his concubine in the usual way to prepare the morning meal. Li then decided to end her own life by hanging herself on a tree nearby. But before putting her intention into effect, she decided first to burn some joss sticks in a cow shed.

The accused who habitually slept in the cowshed, awoke, when Li entered the shed carrying the lost-sticks and a piece of rope. He then learned her intentions, and talked her out of it.

On this occasion, Counsel said there was intercourse between Wong Fuk-lam and Li.

Afterwards, Counsel went on to Li abandoned her intention of suicide and went back to her normal way of living.

The second occasion, Mr. Heenan continued, was on August 23, when Li had reason to call the accused for work in the early hours of that morning. Another intercourse took place then.

Li Contemplates Suicide

On the evening of August 24, according to the prosecution, the deceased was alleged to have found fault again with his concubine's housework and struck her on the head with a chopper.

At this, Li again decided that life was not worth living and contemplated suicide. However, she changed her mind again. As a result of a conversation which she had with the accused, it was decided that she would run away and go to Hong Kong, and find work there.

The accused, it is alleged, recommended Li to stay with his relatives at Yau-mut, and that he would call on her occasionally.

Early the next morning, Li packed her suitcase and left the house. She went to a nearby village and stayed with a friend. Within an hour of her departure, the deceased discovered her absence. He then consulted with the accused about the matter, as a result of which it was decided to make a wide search for Li.

Mr. Heenan at this point stated that it was the Crown's case that although the accused knew that Li had gone to another village and from thence would go to Hong Kong, he gave no indication of this knowledge whatsoever to Wong Yau.

Search For Concubine

Both the accused and the deceased then went over to Tai O to search for Li. Going over to another village, the two met Li Shun-hei, a brother of the missing Li. The matter was then discussed, in the course of which it was suggested that the disappearance be reported to the police.

The accused, Counsel said, actually advised against such a step. The accused, it is alleged, later complained about a sore foot and decided to rest at a relative's place nearby.

Continuing, Crown Counsel stated that meanwhile the deceased arrived home in the evening of August 27. He then happened to go to the cowshed and there found a garment which contained a garment belonging to his concubine. He appeared to make him very angry. Then he put on a bamboo hat and left the house.

That was the last time his wife saw him alive, Mr. Heenan said.

He was seen walking by one of the villagers. Two brothers of his concubine alleged that they saw him in an angry mood, Counsel stated. He was walking in the direction of Tai O.

Accused's Sore Foot

Turning to the subject of the accused, Mr. Heenan stated that when he left the search party on account of his sore foot, he arrived at the village where Li was in hiding, and informed her that her husband was angry about her disappearance, and that a search was being made.

On August 29, Li in agreement with the accused, left for Hong Kong from Tai O.

The accused then went over to the brothers of the concubine and told them that she had gone into hiding in Hong Kong.

One of the brothers then gave the accused a letter to deliver to the deceased from the concubine's uncle.

The accused duly arrived at the village of the deceased on August 29, and there told the deceased's wife that he had come to get a pig to sell on the instructions of her husband.

Chan Lan, however, noticed that the accused seemed to be restless which aroused her suspicion. She began to question the accused. Replying to her questions, the accused told her that the deceased was still at Tai O looking for his concubine.

After further being questioned by Chan, the accused however admitted to her that he had killed the deceased in the course of an argument.

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Charged With Extortion

Committal proceedings were started yesterday against Sit Cheuk-yin, aged 29, on three counts of demanding money with menaces before Mr. A. D. Scholes at Kowloon.

Defendant was charged with demanding \$300 from the occupants of No. 36 Cranville Road first and second floors.

Inspector A. Nichol said that on March 2, the occupant of the flat received a threatening letter demanding \$300 with menaces. The occupant of the floor was too afraid to report the matter to the police.

Mr. D. W. Luke, who was a friend of a person of the floor went to the station and made a report. Enquiries were made and two detectives were sent to the house to wait for the defendant.

Defendant went to the address, and from underneath the mat outside the door took an envelope which had been planted there by the police and went away.

While descending the stairs, defendant called on her to stop. Defendant did not do so and threw away the letter. He was chased by the detective and was arrested.

The case was adjourned.

BROTHEL KEEPER SENTENCED

Charged with keeping a brothel at 188 Temple Street, second floor, Tam So, alias Tam So-nor, Tai Kai, a widow aged 60, was sentenced to two months' imprisonment and recommended for banishment by Mr. A. D. Scholes at Kowloon yesterday.

The prosecution's case was that between January 12 and February 15, defendant had housed two girls, Tam Yuet-nor, aged 16, and Tam Yip-ping, aged 17, at her house where the girls received customers.

The girls told the court that they were brought to the Colony by one Chow Mei from Haploing. These added that Chow Mei told them that jobs were easier to find in the Colony.

Chow Mei, aged 50, was charged with procuring girls under 21 years of age to become prostitutes.

Detective Sub-Inspector Kavanagh was unable to produce evidence against Chow, she was discharged by the court.

PARI-MUTUEL BETTING

Tsang Chung, shop keeper, aged 49, and Chuen Sing, unemployed, aged 27, were charged at Central yesterday with unlawfully participating in betting inside the Hong Kong Jockey Club public enclosure at Happy Valley on March 28.

Another man, Cheng Fat, mercantile, aged 58, was charged with aiding and abetting first and second defendants in the race bets.

The court adjourned the hearing of the case to May 2 and defendants were giving \$1,000 bail each.

Defendants were represented by Mr. S. Ng Quinn.

her alleged, gave further details of the killing to Chan, stating that he attacked him with a chopper with the assistance of Li's brothers.

Witnesses Of The Crown

At this point, Mr. Heenan told the court that in this case, he was calling the two brothers of Li as witnesses of the Crown, and that there was no evidence that both of them assisted in the attack on the deceased.

Continuing, Crown Counsel stated that the deceased's body was eventually found near a village by the side of a ravine, by a grasscutter, who reported the matter to the police.

The accused also gave the deceased's wife \$20, a gold ring, and a bracelet, threatening her with a chopper, she told anybody what he had told her. The following day, the accused took a pig from the farm and went away in a sampans, after which he sold the pig for \$50.

On August 31, according to the prosecution, the accused arrived at Yau-mut, Hong Kong, where Li was staying. He told Li that her husband was dead, and gave her \$50 from the price he had realized from the pig.

It was on September 2, Counsel continued, that the mutilated and decomposed body of the deceased was found. The clothing and certain articles found on the body tended to identify it as the corpse of Wong Yau.

After further investigations were made, the police found that the accused and Li were missing from the village. When the accused eventually arrived at the island one day, he was taken to the police.

Six Wounds

As regards the post-mortem of the body, Counsel stated, it had been exposed for about six days before the body was taken to an advanced stage of decomposition. There were six wounds on the body, and death was caused by the chopper, which was found lying near the body.

Mr. Heenan went on to give a full description of the six wounds. The trial will continue at 10 p.m. this morning, when corroborative evidence was given by Wong Kam, the employee of the victimized firm, and by other witnesses.

The trial will continue this morning.

TO CHANGE TITLES

The titles of the principals of Queen's College, King's College, New College, Training College, and King George V School are to be changed, according to a resolution to be introduced in Legislative Council tomorrow.

It is proposed to change the titles to: Principals, Education Department.

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Reminders

Today

HK Council of Women, general meeting, talk by Commissioner of Police PRO Lecture Room, 5.15 p.m.

HK Rotary Club, Ladies Day, Roof Garden, HK Hotel, 12.30 p.m.

Urban Council meeting, 4.15 p.m.

Opening of Roxy Theatre, 9.15 p.m.

HK Light Orchestra rehearsal, St. John's Cathedral Hall, 8.45 p.m.

Bridge Drive, European YMCA, 8 p.m.

Coming Events

TOMORROW

Budget Debate, Legislative Council, 2.30 p.m.

Talk on "The Application of Military Principles to Civilian Life" by Maj. Gen. F. R. G. Matthews, European YMCA, 8.30 p.m.

HK Lawn Bowls Association, annual general meeting, SCM Post board room, 5.30 p.m.

THURSDAY

Kowloon Rotary Club luncheon, Peninsula Hotel, 12.30 p.m.

Ladies Night, Y's Men's Club of Hong Kong, at Cosmo Club, 7.30 p.m.

RAF Association luncheon, Jeanes Room, HK Hotel, 12.45 p.m.

FRIDAY

Music Group of Sino-British Club, concert at St. Stephen's Girls' College, 8.30 p.m.

Four Robbery Suspects Stand Trial In Court

Committal proceedings against Lai Keung, alias Leung Yan, Lam Wai, Wong Kau and Leung Kau-chiu, charged with robbing Kok Wang Firm of property and monies valued at HK\$11,760.84 with arms, and Wong Yun-fai, alias Wong Chi, charged with receiving stolen property, were started before Mr. F. X. d'Almada at Central yesterday.

The prosecution, conducted by Inspector T. Goshman, alleged that on January 15, at about 5 p.m., a knock at the front door of the Kok Wang Firm's premises, third floor of 15 Connaught Road, Central, was heard and the door was opened by Lau Kee-wang, the firm's proprietor.

About six Chinese rushed into the premises. Two of the gang went into the sitting room, and two went to the rear of the premises while the rest stood around the entrance watching.

The two men in the sitting room produced two revolvers. At that time, there were 14 people in the sitting room. All were ordered to go to the rear cubicle.

The keys of his drawers. Eventually, cash kept in the drawers was robbed.

Both Lau and Choi were later sent back to the rear cubicle. The door of the cubicle was closed and secured with wire.

The bandits were said to have remained on the premises for 15 minutes before they went away. It was said that one gold watch, one gold watch-chain, five gold rings, one tael of gold, three gold sovereigns, \$350 in US currency and HK\$9,454.04 were robbed during the robbery.

When the Police arrived they found the premises in disorder, and finger-prints were photographed by the Finger-print Bureau.

A Concealed Revolver.

On the night of January 15, the Police received information that a revolver was concealed under the mattress in room 419 of the Tai Koon Boarding House, Des Voeux Road, Central. The revolver was later brought back to Central Station by the Police.

Inspector Goshman continued to state that on January 17, a party of police accompanied by two witnesses, Lai Koon Kau and Chan Cheung-yu boarded a bus at the corner of Castle Peak Road, Lau and Chan pointed at Lai Keung saying that he was one of the robbers. Lau was immediately arrested.

Wong Yun-fai, then among the passengers, was found throwing away a gold watch. He was also arrested. The watch was later identified as the one stolen during the robbery.

Further search revealed that Lau was also in possession of a large amount of money in US and Hong Kong currencies.

On information, Lam Wai was arrested on January 18, at 15, Shanghai Street, and Wong Kau and Leung Kau-chiu were arrested at a village in Tai Po.

Stolen Property

Leung Kau-chiu was also found in possession of a fountain pen which he later admitted to be stolen property.

All defendants except Wong Yun-fai were identified by eight of the witnesses during an identification parade.

Lam Wai was in addition identified by a room boy of the Tai Koon Boarding House as the man who had stayed in room 419, Inspector Goshman added.

Evidence was given by Lau Kee-wang, the firm's proprietor. The case is adjourned to March 21.

DRIVING WITHOUT A LICENCE

For driving without a valid licence a learner was fined \$100 by Mr. Hin-shing Lo, at Central yesterday.

George T. C. Yang, aged 27, of 122 Kennedy Road was arrested while driving a vehicle along King's Road on March 20.

He was accompanied by an instructor when arrested and he possessed an expired learner's licence. Inspector Brownrigg prosecuted.

First defendant was fined \$3,000 or eight months' imprisonment.

On behalf of first defendant Mr. A. Arculli pleaded guilty to all charges but for second and third defendants he pleaded not guilty.

Inspector Grew said that during the raid a set of receiving and transmitting radio apparatus, decode books, documents, head phone and a Morse key were found by the police.

On behalf of first defendant Mr. A. Arculli pleaded guilty to all charges but for second and third defendants he pleaded not guilty.

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HEALTHY PURE DAIRY FARM

MILK DID IT

WARM MILK INDUCES RESTFUL SLEEP

THE DAIRY FARM ICE & COLD STORAGE CO. LTD.

HONG KONG KOWLOON

GAMMEXANE

THE BRITISH INSECTICIDE

IMPERIAL CHEMICAL INDUSTRIES (CHINA) LTD.

How to use GAMMEXANE Smoke Generators: Against Fleas and Bed Bugs: Strip the beds and close all the doors and windows. Ignite the 'Gammexane' Smoke Generator with a match, place it on a tin lid in the center of the room and leave the room closed for 2-3 hours to allow the smoke to settle. This treatment can be repeated when necessary at low cost and with little inconvenience to the occupants. Premises such as public institutions where the risks of reinfection are high can be kept free of fleas by the use of 'Gammexane' Smoke Generators.

NEWS WHILE IT IS NEWS!

The weekly edition of the world's most famous newspaper, THE TIMES, is now available to subscribers in Hong Kong, by Air Freight.

The annual subscription to The Times, Weekly Edition, \$64 in Hong Kong.

Subscriptions are now being received, and copies of March 23rd delivered to subscribers by

THE ADVERTISING & PUBLICITY BUREAU LTD.

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\$1 for every additional insertion
10 cents every additional word per insertion
(Alternate Insertions 10% Extra)

BIRTHS, DEATHS, MARRIAGES, PERSONAL \$5 per insertion
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Classified Advertisements, accepted up to 5 p.m. for publication
in the following day's paper.

Replies for the Following Box Nos. are awaiting collection.

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Replies will be forwarded to the Advertiser if requested on the
original form which should bear their name and address.

A suitable announcement will be inserted Free of Charge if
Advertisers' requirements are satisfactorily answered.

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WANTED: Energetic Chinese or
Portuguese as salesman for well-
known refrigerators. Salary and
commission basis. Good opportu-
nity for energetic man. Reply
with full details to Box 793
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BEAUTIFY Your garden with
Dutch Anemones, Calla-Lilies
and Gladioli best varieties. Anglo-
Chinese Trading Co., R.4 Pedder
Building, third floor 20093.

RUGS Peking Art Rug Co.,
Wholesale & Retail, Room 8-9
Lucky Apartment Corner of
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TRACLEAN SERVICE for floor
cleaning and upholstery. Clean-
room in your own home by
trained operators. Tel. 24408.
Apartment: George Lin & Co., 202,
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CARPETS & RUGS—Reveling
in the latest and Tinted, lovely de-
signs and colourings, various sizes
and inspect at The China
Trading Co., Kowloon Building, 4th
floor (Opposite Hong Kong
Hotel) Queen's Road, Central

PENOMMEE DRESSES Imported
& locally made dresses, suits,
coats, "Deirdre" hats, "Kalar"
cloves. New shipment of Gar-
dine Dresses, 503, Victory House,
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LADIES we have at your service
all specialized operations for
Helene Curtis Cool Waves,
machineless oil perme hairdyes &
manicure—ROSE MARIE Beauty
Parlour—Phone 50384—43, Han-
kow Rd., Kowloon.

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MAY BE BOOKED AT THE
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SHANGHAI FASHION SCHOOL
—Vacancies available in Cutting
& Sewing Classes. Apply to 503
Victory House, Wyndham Street
on Tuesdays, Thursdays &
Saturdays.

DANCING LESSONS

BALLROOM DANCING—"Made
Easy" for you. "LATEST
VARIATIONS". Specialties
—Rhumba, Samba, Tango, Jitter-
bug. (Enquiries 1-5 PM)—TONY
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TAMARA May 503 Peninsula
Hotel, large assortment SUMMER
FROCKS all sizes, reasonable
prices. Orders taken for Wedding
and Evening Gowns, Etc. Euro-
pean workmanship only.

NEW Vertical Boilers for sale,
6 H.P. Vertical boilers; brand
new, complete with mounting
and fittings. Evaporation 450 lbs.
per hour. Working pressure
80/100 lbs. per square inch.
Available for immediate ship-
ment from U.K. For full
particulars and price apply to
Gourlie & Co. (H.K.) Ltd., Union
Building, 2nd floor, Tel. 31341.

PIANO FOR SALE—Estate
Minneapolis with stool tropical
insulated, excellent condition.
Owners going home, call 58828
morning only.

HONG KONG FILM AND
THEATRE NEWS at 50 cents per
copy. Obtainable at Leading
Book Stores, Newspaper Sellers
and "China Mail" Office.

PILOT RADIOS: Same reliable
pre-war quality, now obtainable
at popular prices, made possible
only by increased demand and
large sales. World Reception
Models from \$195 each. Obtain-
able at all the better dealers or
direct from: Colonial Agencies,
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Road, Phone 24310.

CHINA MAIL PICTORIAL, at
50.00 per copy. Obtainable at all
Leading Book Stores and "China
Mail" Office.

THE KOWLOON
MOTOR BUS CO.,
(1933) LTD.MONTHLY TICKETS
& SCHOOL CHILDREN'S
TICKETS

Monthly Tickets and School
Children's Tickets for the
month of April, 1949, issued
at \$18.00 and \$8.00 per ticket
respectively and restricted to
Route Nos. 1 to 13 (inclusive)
only can be obtained as fol-
lows:—

On March 20, 30 and 31 and
April 1, 2 and 3 between the
hours of 8.00 a.m. and 7.00
p.m. at Tsim Sha Tsui Bus
Terminal Office, and thereafter
at the Company's Office, 153,
Castle Peak Road, Kowloon,
during business hours only.

THE KOWLOON
MOTOR BUS CO.,
(1933), LTD.

March 28, 1949.

HONG KONG
TEACHERS'
ASSOCIATION

1. A meeting of the English
Section of the Association will
be held at 5.15 p.m. on Friday,
April 1, at the Northcote
Training College.

AGENDA

- Appointment of a Chair-
man and Committee of
Twenty.
- Appointment of a Con-
vener and two Committee
Members in each of the
following sub-sections:—
English, History, Geo-
graphy, Science, Mathe-
matics, Art, Music.
- Any other business.

Prior to the meeting, at 4.15
p.m., there will be a display
of Text-Books and other
teaching apparatus. Ten will
be served at a cost of \$2 a
head.

II. An illustrated lecture
on "The Teaching of Music in
Junior Schools" will be given
by Miss D. H. Simpson,
L.R.A.M., at 5.15 p.m. on
Thursday, March 31, at St.
John's Cathedral Hall.

M. HEARSON,
Joint Hon. Secretary.

LAMMERT BROS.

Auctioneers, Surveyors
and Appraisers,
Pedder Building,
Telephone No. 20224.

HONGKONG TELEPHONE
CO., LTD.CABLE &
WIRELESS LTD.JOINTLY ANNOUNCE THE OPENING OF
A LIMITED RADIO-TELEPHONE SERVICE

BETWEEN

HONGKONG AND SHANGHAI

AS FROM

FRIDAY, 1st APRIL, 1949

TIMES OF OPERATION:

WEEKDAYS (8.00 a.m. to 11.30 a.m.
12.30 p.m. to 6.00 p.m.)

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MINIMUM CHARGE \$21 For Three (3) Minutes.

TELEPHONE SUBSCRIBERS WISHING TO REGISTER FOR
RADIO-TELEPHONE SERVICE SHOULD COMMUNICATE
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CO., LTD. NO CALLS WILL BE ACCEPTED FROM
SUBSCRIBERS UNTIL THEY HAVE REGISTERED. CALL
OFFICES FOR THE USE OF THE NON-REGISTERED
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CABLE & WIRELESS LTD. Ground Floor, Union Bldg., H.K.

WANTED
MINERAL OIL

We, the undersigned, are in need of crude oil, diesel
and all kinds of mineral oils. Those who have such
commodity intending to sell and/or to co-operate with us
are cordially requested to contact with our Mr. S. L. Chu
of Room 202, Luk Kwok Hotel, 67, Gloucester Road, Hong
Kong, between 9 a.m.-12 noon, or write with full particu-
lars direct to our Shanghai Office as given below:

SHANGHAI YUNG DAH OIL REFINERY

Room 303, No. 23, Szechuen Road (Central), Shanghai, China.

Money Market

Gold opened yesterday at
HK\$311.50 a tael and closed at
\$311.25. Highest and lowest rates
of the day were \$312.50 and
\$308.75.

US dollars opened at HK\$5.23%
and closed at \$5.24.
No transaction was recorded in
Gold Yuan for Hong Kong deliv-
ery, but sales were made for
Canton remittances at HK\$2.90
and \$2.95 for 10,000, and for
Shanghai remittances at HK\$2.95
and \$3.125 for 10,000.

Pineapples opened at HK\$9.97% a
100 and closed at \$9.96%. Highest
and lowest rates were \$10.05 and
\$9.91%.

Ticals were unchanged at
HK\$24.20 a 100.

NEI Guilders were stationary
at HK\$32.70 a 100.

Sterling was higher at
HK\$15.35 and lower Australian
pounds at HK\$12.80.

POST OFFICE
MAIL NOTICE

Outward Mails

Surface mail for Tientsin and Peking
can be accepted for onward transmission
via Shanghai and Chinwangtao.
Unless otherwise stated, Registered
Articles and Parcel Posts close 10 minutes
earlier than the ordinary mail. If mail
close before 10 a.m., Registered and Parcel
Posts close at 8 p.m. on the previous day.
Mails are closed at Kowloon Central
Post Office half an hour earlier than the
QPO closing time.

TUESDAY, MARCH 22
Closing Times by Air
Canton and Hong Kong (Kowloon) QPO 7.30
a.m., 10 a.m., 12.30 p.m., 2.30 p.m.,
(QPO) 7 a.m., 9.30 a.m., Noon, 2 p.m.,
Airmail for Swatow and Amoy, (Reg.)
8.30 a.m., (Ord.) 9 a.m.
Airmail for Shanghai, (Reg.) 9 a.m.,
(Ord.) 9.30 p.m.
Airmail for Swatow, Amoy, Nanking and
Tientsin, (Reg.) 3 p.m., (Ord.) 2.30
p.m.
Airmail for Shanghai, (Reg.) 4.30 p.m.,
(Ord.) 5 p.m.
Airmail for Manila, Honolulu, USA and
Canada, (Reg.) 4.30 p.m., (Ord.) 5
p.m.
Air Parcel Post for Manila, Honolulu and
USA, (Kowloon) QPO 4.30 p.m., (QPO)
5 p.m.
Ordinary Airmail (printed matters, sam-
ples and small packet posts) for
Manila, Guam, Honolulu and USA,
(Kowloon) QPO 4.30 p.m., (QPO)
5 p.m.
Airmail for Bangkok, (Reg.) 4.30 p.m.,
(Ord.) 5 p.m.
Closing Times by Sea
Siam, Ceylon, India and Madagascar,
10 a.m.
Shanghai and Japan, Noon.
Swatow, 1 p.m.
Bangkok, 1 p.m.
Manila, 2 p.m.

WEDNESDAY, MARCH 23
Closing Times by Air
Airmail for Swatow and Amoy, (Reg.)
8.30 a.m., (Ord.) 9 a.m.
Airmail for Shanghai, (Reg.) 9 a.m.,
(Ord.) 9.30 p.m.
Airmail for Manila, (Reg.) Noon, (Ord.)
12.30 p.m.
Airmail for Shanghai, Nanking and
Tientsin, (Reg.) 3 p.m., (Ord.) 2.30 p.m.
Airmail for Swatow, Amoy, Nanking and
Tientsin, (Reg.) 3 p.m., (Ord.) 2.30 p.m.
Closing Times by Sea
Swatow and Amoy, 10 a.m.
Swatow and Amoy, Noon.
Manila, Batavia, Sourabaya and Macassar,
2 p.m.

THURSDAY, MARCH 24
Closing Times by Air
Airmail for Bangkok, Hongkong, Calcutta,
Rangoon, Bahrain, Alexandria (Nal-
abi), Bombay, Daru, Saigon, Mani-
la, Cebu, Hongkong and Swatow via
Alexandria, Rome and London, Kow-
loon QPO (Reg.) 4 p.m., (Ord.) 4.30
p.m.; CPO (Reg.) 4.30 p.m., (Ord.)
5 p.m.
Airmail for Bangkok, Batavia, Colombo,
Sydney and Auckland, (Reg.) 4.30
p.m., (Ord.) 5 p.m.
Airmail for Shanghai and Japan, (Reg.)
4.30 p.m., (Ord.) 5 p.m.
Airmail for Singapore, (Reg.) 4.30 p.m.,
(Ord.) 5 p.m.
Airmail for Saigon and Paris, (Reg.) 4.30
p.m., (Ord.) 5 p.m.
Closing Times by Sea
Salon, 10 a.m.

WONDER SPRAY

when diluted 1 to 400 parts of
water kills chewing and suck-
ling insects on plants directly or
when they bite them.

Tested and approved by
leading greenhouse operators and
growers all over U.S.A.

To be used in conjunction
with an Atomical Sprayer.
Obtainable from

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Tel. 25665.

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CARPETS

All Sizes—All Qualities

CARPET INDUSTRIES

100, Queen's Road, H.K.

KOWLOON.

Financial
Reforms
In China?

Shanghai, March 28.

An exchange of views on
China's chaotic economic and
financial situation was re-
ported to have taken place
yesterday when the new Fi-
nance Minister, Mr. S. Y. Liu,
entertained foreign and Chi-
nese bankers at a tea recep-
tion.

Among those present were
said to be the United States
Ambassador, Dr. J. Leighton
Stuart, and the Deputy Di-
rector of the ECA China Mis-
sion, Mr. R. A. Griffin.

Dr. Liu is reported to be
planning a partial revision of
the recently promulgated fi-
nancial and economic reform
measures.—Reuter.

Moscow Attack
On Catholics

Moscow, March 27.

The official Soviet trade
union newspaper "Trud", to-
day denounced the United
States Catholic Church as one
of the most active instruments
of Americans seeking world
domination.

"Trud" alleged that Catholic
emissaries in some parts of the
world are helping the United
States to unite local "forces" and
accuse the Vatican of co-
operating with the United States
in intelligence work.

It said the Catholic Church in
America had tied in with Wall
Street financiers and co-ordinated
its activities with American for-
eign policy.

The paper also accused Ameri-
can Catholics of spending millions
of dollars in Germany to spread
anti-Communist propaganda.—
United Press.

For the possession of 19 taels
of raw opium, Cheuk Lin-wah
was sentenced to six months and
ordered to be deported from the
Colony for 10 years. Defendant
was arrested on Saturday with
the opium in his possession.

THE DIRECTORS OF
THE GREAT CHINA LAND INVESTMENT CO., LTD.ANNOUNCE
THE GRAND OPENING
OF THEROXY THEATRE
(CAUSEWAY BAY)ON
WEDNESDAY, MARCH 30, 1949GRAND
OPENING
TOMORROW,
WEDNESDAY,
MAR. 30, 1949SPECIAL
GALA
PERFORMANCEFOR OUR GUESTS
with Invitations
only
TONIGHT
AT 9.15 P.M.Betty GRABLE
Douglas FAIRBANKS, Jr.
Cesar ROMEROThat
LADY IN
FERMINEHARRY ABEL...
GARDNER

ROXY THEATRE

ROXY THEATRE

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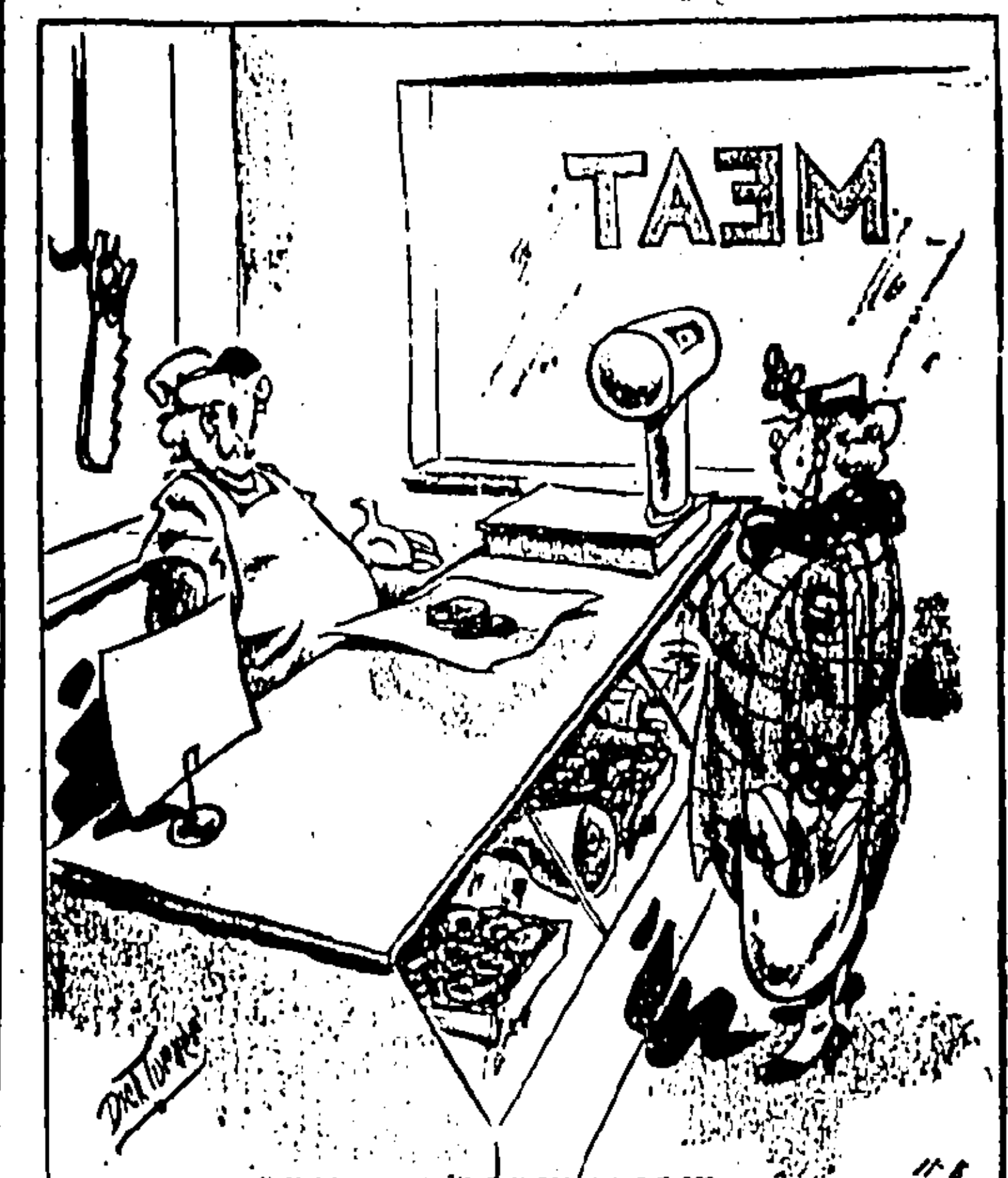
ROXY THEATRE

ROXY THEATRE

ROXY THEATRE

CARNIVAL

By Dick Turner



"It's a price slash all along the line, Mrs. McGoon! For
sirloins and porterhouses we're now accepting second
mortgages!"

BARCLAY ON BRIDGE
By Shepard Barclay
"The Authority on Authorities"GUESS YOUR PARTNER
IN A RAPHAEL ZARD session of
rubber bridge, among players
who do not know each others'—
games too well, or in an individ-
ual tournament, in which you
get a series of new partners,
you have a lot of guessing to do.
There are many situations in
which one fine player will em-
ploy specific bid in a certain
way and another will use it quite
differently. If you don't know
how the man across from you is
going to interpret your own ac-
tion, you have to make the best
guess you can.

S 9 8 2
H K 3 2
D K Q 7
C A K Q

S 9 8 2
H K 3 2
D K Q 7
C A K Q

S 9 8 2
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Germans At Loggerheads Over "Foreign Policy"

BRITONS GAMBLE LESS

London, March 27. Britons gambled £141,000, 000 less last year than in 1947, according to the Churches' Committee Review on Gambling. But just under 10,000,000—about 20 per cent of the total adult population—staked money on football pools. Twice as many men as women stake money in the pools.

Horse racing, according to the review, was a possible exception. More money was staked on totalisators, but these only represent a small percentage of the money gambled on horses and do not give an accurate picture.

The review stated that the decline in overall gambling totals—£250,000,000 in 1946 as compared with £201,000,000 in 1947—does not necessarily mean a decrease of interest among punters, nor does it indicate that fewer people went to the races.

The total number of people attending races, including dog races, according to some statistics, was slightly increased but new taxes and severe weather cut down spending.

Increased police vigilance and currency restrictions cut down Irish sweepstake totals. Reuter.

MP DROWNED

Capetown, March 27. Mr. J. J. Brill, Nationalist Member of Parliament for Maydon, Johannesburg, was drowned at Kleinmond, Cape Province, while fishing today. Reuter.

Trouble Expected In Australia

Sydney, March 27. Australian key industries tonight faced a possible heavy loss of production tomorrow.

Labour stoppages are threatened in protest against the prosecution of Mr. Lance Sharkey, Australian Communist leader, for an alleged seditious utterance.

The main stoppages appear likely to occur in industrialised New South Wales, although many rank and file unionists are opposing them.

Union officials predict clashes between Communists and non-Communists in the Northern New South Wales coalfields.

The prosecution against Mr. Sharkey followed his pledge earlier this month of Australian Communist Party support for the Soviet Union in the event of war.

Additional police will be detailed for duty outside a special court here tomorrow when his case opens.

While the Communist and moderate elements in the unions are split on the Communist call for nationwide stop-work demonstrations, it is expected that a proportion of the coal miners, iron workers, dockers and seamen will stay out tomorrow and that many others, who want to work, will be prevented by the absence of key men.

Mr. Sharkey has rejected an appeal by the leader of the Australian Labour Party industrial group on the Sydney waterfront, Mr. P. Cain, that he should call off the stoppages and stand as a man by the democratic laws of the country. Reuter.

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Party leaders, statesmen and newspapermen of Western Germany, now approaching provisional Statehood, are engaged in an open foreign policy debate on the vaguely drawn issue of Germany's position in the East-West conflict.

Only the Communists fully committed to Soviet doctrines stand outside the debate.

The range of views lies between a strong advocacy of adherence to the Atlantic Pact and collaboration with the West at one extreme, and possibly equally strong support for the neutralisation of Germany at the other.

On the one side is the "Nauehm Circle," whose project for Neutralisation received official Soviet praise in the columns of the Tagesspiegel Rundschau, German-language organ of the Russian Military Administration in Berlin.

At the opposite extreme are the Social Democrats. For them, a conflict with the Russians is likened to the struggle against Hitler—except that they believe it can be won without a war.

They have their underground contacts in the Eastern Zone. They lead the resistance in Berlin, and they say openly that their aim is to make the Russian position in Germany untenable.

The Social Democrats are solidly united in opposing any compromise with totalitarianism. But among the Christian Democrats and Liberals, the debate cuts right across party lines.

The debate has been precipitated by the secret Godesberg Conference on German unity between prominent West German Conservatives and Herr Rudolf Nadolny, a former German Ambassador to Moscow.

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American Aid To Britain

Birmingham, March 27. The Attorney-General, Sir Hartley Shawcross, declared here tonight that a lot of nonsense is being talked about American aid.

He said: "Mr. George Marshall, former Secretary of State, is no wolf of Wall Street but a great idealist who knew that democracy in Europe was in peril. I often think that our American friends have a more active and conscious sense of democracy than we have."

"We take it all rather for granted, in that young and virile country they are not content with that. They actively and passionately believe in it. We need America."

"We need America more than ever before. There are no mistakes about that. Nor are we ashamed of accepting it," he added.

The United States is advancing to Britain this year almost exactly the same amount of aid as it received from foreign investments, shipping, banking and other services before the war. Reuter.

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FRENCH DENIAL OF VIETMINH VICTORY CLAIMS

Saigon, March 27. A French military spokesman here today denied claims to numerous and striking victories by the Vietminh (Indochinese autonomy movement, in renewed warfare against the French in Tonkin, Northern Indochina.

"We have the situation under control," the spokesman said.

Earlier, Radio Vietnam, the mouthpiece of Moscow-trained Dr. Ho Chi Minh, the Vietminh leader, broadcast that Vietminh guerrillas are succeeding in the

North, East and North West sectors near the Chinese border.

Radio Vietnam listed what it claimed are successes in Laos, 180 kilometres North West of Hanoi, and Langson, 130 kilometres North East of Hanoi.

The French spokesman said he knew of no small French outposts which Radio Vietnam said had been destroyed 60 kilometres East of Laos.

When Huangshui was attacked, we sent parachute troops as reinforcements. We hold all the important positions," the spokesman said.

Chinese Reds

He said he is unaware of the encirclement and surrender of French troops near Langson as claimed by Radio Vietnam.

According to French sources today, the Vietminh guerrillas aim at controlling the key posts near the Chinese border, with the apparent objective of securing passage for contraband arms and eventual support from the Chinese Communists.

The Red River and the Black River could be used as routes for penetrating the mountainous frontier district.

Another Vietminh objective, these sources said, is to neutralise the Thai area, where live a pro-French ethnic minority of 500,000. Laos would thus be a necessary objective if Vietminh plans to dislodge the French forces in Thailand and cover its Western flank. Reuter.

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WINSTON CHURCHILL'S WAR MEMOIRS: THE SECOND BOOK

THEIR FINEST HOUR

The Question Of Ireland

By Winston Churchill



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MANILA	Wednesday	30th. March
BANGKOK	Friday	1st. April
SINGAPORE	Friday	1st. "
MANILA	Monday	4th. "
BANGKOK	Monday	4th. "
RANGOON	Monday	4th. "
SINGAPORE	Monday	4th. "
MANILA	Wednesday	6th. "
BANGKOK	Friday	8th. "
SINGAPORE	Friday	8th. "
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munications should be addressed
to the Company CHINA MAIL
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BIRTH

On March 28th at the Middlesex
Hospital, London, to Alan and
Carol Burn (nee Robinson),
a son.

LABOUR PARTY'S
PROGRAMME

The British Labour Govern-
ment have decided not to
ask for the country's votes
before the national election of
their mandate in 1950.
The programme on which
they will go to the polls will,
this time, be a consolidation
of results already achieved
rather than one of battle.

These are the two main de-
cisions which have resulted
from the recent deliberations
held by the principal mem-
bers of the Government and
the Executive Committee of
the Labour Party, who are
directly responsible for the
formulation of the Labour
Party programme.

The Socialist decision not
to hold a General Election
before 1950 interprets the
renewed confidence inspired
at Transport House by the
recent by-elections. With
the progressive removal of
controls on food and cloth-
ing, the Labour Party be-
lieve that time is on their
side. The Attlee Govern-
ment would also be reluc-
tant to put a premature end
to the present session by
hurried elections without
having accomplished their
ambitious programme for
the nationalisation of the steel
industry.

Strategy ordains that the
present Parliament shall be
allowed to complete its full
term. Equally strongly,
strategy requires that the
demands of the extremists
shall occupy but a small
place in the next programme.
No one is more conscious
than Sir Stafford Cripps of
the number of problems
which have still to be solved,
despite the impressive
recovery of British finance
and economy. And no one
has a greater realisation of
the part played by Ameri-
can "capitalist" aid in en-
abling Britain to create the
costly new Social Services
of which she is so proud.
The problem for Britain to-
day is that by her own
efforts, after 1952, the edifice
she has built up shall con-
tinue to stand—whence the
economic necessity, in the in-
terests of Labour as well as
of the nation, not to endan-
ger its stability by overload-
ing it too soon with too hasty
building.

Both the Labour and Con-
servative parties agree in re-
cognising that the "floating
vote" will decide the next
elections as it did those of
1945. Hence the psychologi-
cal need not to alienate from
Labour the middle class vote
by an excess of zeal.

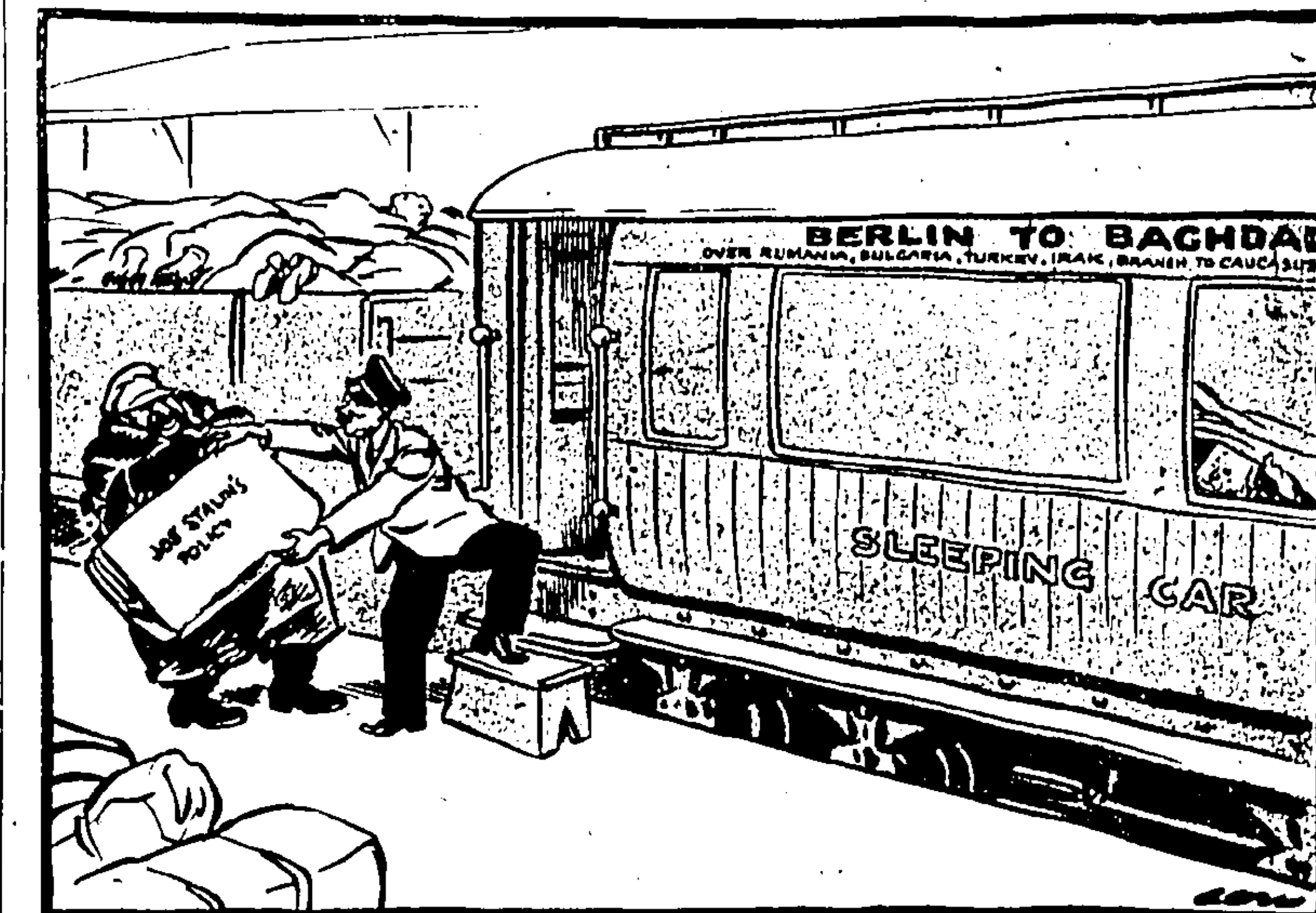
BURMA CRISIS

The situation in Burma has
reached the crisis stage, and
the next few weeks may well
decide the fate of the Re-
public. A tragedy of the
civil war there is that the
Karens, with their long re-
cord of loyalty and stead-
fastness, should have become
the chief opponents of the
Government. If the gulf
between the Burmese and the
Karens, the two most ad-
vanced races in Burma, can-
not be bridged, their quarrel
may make orderly rule im-
possible, no matter which
side emerges victorious. The
need in Burma today is for
the peoples of that country
to come together to make the
federal constitution a solid
barrier against Communist
efforts to divide them.

With the whole French
seaboard from Dunkirk to
Bordeaux in their hands, the
Germans lost no time in
making bases for their U-
boat and co-operating air-
craft in the captured terri-
tory. From July onwards
we were compelled to divert
our shipping from the ap-
proaches, South of Ireland,
where of course we were not
allowed to station fighter-
aircraft. All had to come in
around Northern Ireland.
Here, by the grace of God,
Ulster stood a faithful sen-
inel.

The Mersey, the Clyde were the
lines through which we breathed.
On the East coast and in the
English Channel small vessels
continued to ply under an ever-
increasing attack by air, by E-boat
and by mines. As it was impossible
to vary the East coast route, the
presence of each convoy between
the Forth and London became
almost every day an action in
itself. Few large ships were risked
on the East coast and none at all
in the Channel.

The last six months of 1940
showed extremely heavy losses.



"WAIT, MAYBE I DON'T GO! I AIN'T SO SLEEPY."

modified only by the winter gales,
and no great slaughter of U-boats.
In the week ending September 22,
27 ships of nearly 160,000 tons
were sunk, many of them in a
Hullfax convoy. In October, while
the Scheer was also active, another
Atlantic convoy was massacred by
U-boats, 20 ships being sunk out
of 34.

As November and December
drew on, the entrances and
estuaries of the Mersey and the
Clyde far surpassed in mortal
significance all other factors in
the war. We could of course at
this time have descended upon De
Valera's Ireland and regained the
Southern ports by force of modern
arms. I had always declared that
nothing but self-preservation
would lead me to this. But perhaps
the case of self-preservation might
come. Then so be it. Even this hard
measure would only have given a
mitigation. The only sure remedy
was to secure free exit and en-
trance for the Mersey and the
Clyde.

The Diver

Every day when they met, those
few who knew looked at one an-
other. One understands the diver
deep below the surface of the sea,
dependent from minute to minute
upon his airpipe. What would he
feel if he could see a growing
choal of sharks biting at it? All
the more when there was no
possibility of his being hauled to
the surface. For us there was no
surface. The diver was 40,000,000
people in an overcrowded island,
carrying on a vast business of
war all over the world, anchored
by nature and gravity to the bot-
tom of the sea. What could the
sharks do to his airpipe? How
could he ward them off or destroy
them?

In the week ending June 8, dur-
ing the height of the battle in
France, we had brought into the
country 1,201,535 tons of cargo,
exclusive of oil. From this peak
figure imports had declined at the
end of July to less than 750,000
tons a week. Although substantial
improvement was made in August,
the weekly average again fell, and
for the last three months of the
year was little more than 800,000
tons.

My indignation at the denial of
the Southern Irish ports mounted
under these pressures.

Prime Minister to the Chancellor
of the Exchequer, 13th, 40.

The straits to which we are being
reduced by Irish action compel
a reconsideration of these sub-
sidies (to Ireland). It can hardly
be argued that we can go on
paying them till our last grasp.

Surely we ought to use this
money to build more ships or
buy more from the United
States in view of the heavy
sinkings off the Bloody Fore-
land.

Our Food

Pray let me know how these sub-
sidies could be terminated, and
what retaliatory measures could
be taken in the financial sphere
by the Irish, observing that we
are not afraid of their cutting
off our food as it would save us
the enormous mass of fertilizers
and feeding-stuffs we have to
carry into Ireland through the
De Valera aided German block-
ade.

One evening in December I held
a meeting in the downstairs War
Room with only the Admiralty and
the sailors present. All the perils
and difficulties, about which the
company was well informed, had
taken a shapely turn. My mind
reverted to February and March,
1917, when the curve of U-boat
sinkings had mounted so steadily
against us that one wondered how
many months more fighting the

thinking about nothing but his
airpipe. But he had other work to
do.

At the same time, however, we
gave orders to the Air Coastal
Command to dominate the outlets
from the Mersey and Clyde and
around Northern Ireland. Nothing
must be spared from this task. It
had supreme priority. The bomb-
ing of Germany took second place.
All suitable machines, pilots and
material must be concentrated up-
on our counter-offensive, by
fighters against the enemy bombers
and by surface-craft assisted by
bombers against the U-boats in
these narrow vital waters. Many
other important projects were
brushed aside, delayed or mauled.
At all costs one must breathe.

We shall see the extent to which
this counter-offensive by the Navy
and by Coastal Command succeed-
ed during the next few months;
how we became the masters of the
outlets; how the Heinkel 111's
were shot down by our fighters,
and the U-boats choked in the
very seas in which they sought to
choke us. Suffice it here to say that
the success of the Coastal Com-
mand overtook the preparations
for the dynamite carpet. Before
this ever made any appreciable in-

as Yorkshire. Everything went
smoothly. Nibelwa was attacked
by one brigade at 7 a.m. and in
little more than an hour was com-
pletely in our hands. At 1.30 p.m.
the attack on the Tummur camp
opened, and by nightfall practi-
cally the whole area and most of its
defenders were captured. Mean-
while the 7th Armoured Division
had isolated Sidi Barrani by cut-
ting the coast road to the West.

Five Acres

Simultaneously the garrison of
Mersa Matruh, which included the
Coldstream Guards, had also pre-
pared their blow. At first light on
the 10th they assaulted the Italian
positions on their front, supported
by heavy fire from the sea. Fight-
ing continued all day, and by 10
o'clock the Coldstream battalion
headquarters signalled that it was
impossible to count the prisoners
on account of their numbers, but
that "there about five acres of
officers and 200 acres of other
ranks."

At home in Downing street they
brought me hour-to-hour signals
from the battlefield. It was difficult
to understand exactly what was
happening, but the general im-
pression was favourable, and I
remember being struck by a mes-
sage from a young officer in a tank
of the 7th Armoured Division.
"I have arrived at the second B in
Buq-Buq." I was able to inform
the House of Commons on the 10th
that active fighting was in pro-
gress in the desert; that 500
prisoners had been taken and an
Italian general killed; and also
that our troops had reached the
coast. That afternoon, Sidi Barrani
was captured.

From December 11 onwards the
action consisted of a pursuit of the
Italian fugitives by the 7th Ar-
moured Division followed by the 16th
British Infantry Brigade (motor-
ized), and the 6th Australian
Division, which had relieved the
4th Indian Division. On December
12 I could tell the House of Com-
mons that the whole coastal region
around Buq-Buq and Sidi Barrani
was in the hands of British and
Imperial troops and that 7,000
prisoners had already reached
Mersa Matruh.

By Sea

The moment the victory of Sidi
Barrani was assured—indeed, on
December 12—General Wavell took
on his own direct initiative a wise
and daring decision. Instead of
holding back in general reserve on
the battlefield the 4th British
Indian Division, which had just
been relieved, he moved it at once
to Eritrea to join the 5th British
Indian Division for the Abyssinian
campaign under General Platt.

The division went partly by sea
to Port Sudan, and partly by rail
and boat up the Nile. Some of
them moved practically straight
from the front at Sidi Barrani to
their ships, and were in action in
a theatre 700 miles away very soon
after their arrival. Without this
far-seeing decision of General
Wavell's the victory at Keren and
the liberation of Abyssinia would
have been subject to indefinite de-
lays.

I hastened to offer my congratu-
lations to all concerned, and to
urge pursuit to the utmost limit
of strength.

Mr. Churchill to Mr. Menzies,
Prime Minister of Australia,
13.12.40

I am sure you will be heartened
by the fine victory the Imperial
Armies have gained in Libya.



Some people are worried about
the state of the Colony's defences.
There is really little to worry
about.

These Greeks keep potting
away at each other. Looks as if
few'd be happier than to fall in
a feud.

Borrowing money, says a ma-
gistate, is the same as borrow-
ing trouble. Don't know that I
agree. It's easy to borrow trou-
ble.

An advertisement points out
that the average motor car costs
only HK\$2 a pound—"which is
less than the price of butter per
pound." Interesting, but who
buys butter in ton lots?

After an address the minister
asked the Sunday school class
if anyone would like to ask a
question.

A shrill voice piped up, "Please
sir, why did the angels walk up
and down Jacob's ladder when
they had wings?"

"Ah, yes," said the parson.
"Now, would anyone like to an-
swer that question?"

"Mr. and Mrs. J. Tomlinson of
Sydney are spending some time
in Sydney." Catching up on
loose ends, probably.

The author of a famous book
on economics had a phone call
recently. "I question your statis-
tics on the high cost of living,"
said a strange voice. "My wife
and I eat well on exactly \$2 a
week."

"I can't believe it," exclaimed
the economist. "Won't you tell
me how? And please speak a
little louder."

"I can't speak louder," said the
stranger. "I'm a goldfish."

"The fruits of White House zig-
zags of policy now reach a pin-
nacle."—Time they rested on their
cars.

A report from England says
that signs of fatigue can be seen
among the members of the Coal
Board. They can't be getting
slack, surely?

Any day now Moscow may re-
lease the statement that it wasn't
George Washington who origi-
nated the cherry tree episode. No,
comrades, it was little Georgi
Vladimirov who whittled it down
with his little sickle.

Myrtle's grandfather says some
people don't know enough about
a subject to stop talking about it.

This, coupled with his Albanian
disasters, may go hard with
Mussolini. Remember that I
could not guarantee a few
months ago even a successful
defence of the Delta and Canal.

We ran sharp risks here at
home in sending troops, tanks
and cannon all round the Cape
while under the threat of im-
minent invasion, and now there
is a reward. We are planning to
gather a very large army re-
presenting the whole Empire
and ample sea-power in the
Middle East, which will face a
German lurch that way, and at
the same time give us a move
Eastward in your direction, if
need be. Success always de-
mands a greater effort. All
good wishes.

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(To Be Continued Tomorrow)

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picture was
taken? The an-
swer is in Page
Seven.

RECTIFICATIONS IN GERMAN BOUNDARIES AROUSE PROTESTS

Berlin, March 28.

The six-power agreement to cut 52 square miles off Germany in Western boundary changes is viewed by many competent sources here as a major diplomatic blunder.

The rectifications affect about 13,500 Germans living in a total area of 52 square miles. They involve 31 points along the West German frontiers with Holland, Belgium, Luxembourg, the Saar and France.

Informants in Berlin feel that delicate situation has been badly handled, particularly in the matter of timing.

In return for minor technical gains which cannot decisively effect the economy of any of the countries receiving German territory, the Western powers, in the opinion of the sources here, have suffered the following losses:

1. They have undermined their own position in relation with that of the Russians. Presumably the Western powers held that the seizure of a large area of Eastern Germany by Russia and Poland was illegal since all border changes must await a peace treaty. Now they have done what they criticized Russia for doing in the East.

2. They have given German Communists a new propaganda weapon with which to attack the West. Communist newspapers in Berlin say that the Western border changes are "thieves' and robbers' work."

3. The Western powers have fanned German Nationalist fires at the very time when every effort is being made to beat down such nationalism in favour of European unity.

"A Seizure"

Soviet sources today joined West German politicians in condemning the frontier rectifications.

Backing the German protests, a Berlin despatch to Tass, the official Soviet news agency, today described the rectifications as "a seizure of German territory." "Special attention," Tass added, "is attracted by the Western powers' open recognition of the French annexation of the Saar region, the administration of which, as can be seen from the communiqué, is already making claims on Germany in its character as a foreign State."

Earlier, the Soviet-controlled Tass Radio said that details of the frontier changes are being concealed. It quoted allegations that some districts concerned have coal deposits amounting to some 100,000,000 tons, wanted by Holland.

Only Provisional

The Western Allies' communiqué described the adjustments as minor and provisional, adding that the problem of Germany's frontiers would be re-examined and settled definitely at the time of the final peace settlement.

It said the adjustments are justified by administrative necessities and by conditions affecting communications along Germany's Western frontiers. The date for putting them into effect would be announced later, the communiqué added.

The Commissions will fix the new frontier line after hearing local authorities.

Most German leaders this week-end claimed that the Western powers' decision is a unilateral action not in accordance with the Atlantic Charter.

The North Rhine Westphalia Government, in a sharply worded communiqué, accused the Western powers of violating the natural right of self-determination and of declining the reiterated offer to settle the problem by negotiation.

"Hitler System"

Referring to Hitler's terror system, this Government said: "The German people now see the democratic victors guilty of the same offence, four years after the end of hostilities."

Dr. Ferdinand Friedensburg, Western Deputy Mayor of Berlin, said that though the rectifications do not mean great losses, they must be considered as a coercive measure at a time when all people hope for a free course.

"It must be feared that the aggressors in the East could consider these rectifications as an authorisation for their own acts of violence," he commented. —Associated Press and Reuter.

Gun Fights In America

New York, March 27.

A police patrolman was killed and two other policemen wounded in gun fights with bandits in Astoria, Long Island, today.

The gunman escaped temporarily but later the police announced that they had detained a man for questioning.

The gunman held up a liquor store and stole \$300. Two policemen in a radio car who answered a call to investigate the robbery, questioned the gunman near the store.

He turned and ran into an underground railway station where the police officers in pursuit. In an exchange of shots, Patrolman Anthony Othliemer was killed.

The gunman ran back into the street, where two more policemen stopped him. He drew his pistol and opened fire, wounding both. —Reuter.

GATES BARRED TO JEWS?

New York, March 27.

Dr. Robert S. Marcus, political director of the World Jewish Congress, said today that the world's immigration policies seem to be barring the entry of Jews, and forecast that only 20,000 to 30,000 displaced Jews may enter the United States before the International Refugee Organisation expires 1950.

Dr. Marcus said during the same period only 7,000 to 10,000 would be permitted to enter Canada and Latin America.

There are at present 148,000 awaiting resettlement and though 80 per cent of these may reach Israel, there will be 30,000 still unsettled before the IRO expires, he said. —United Press.

Swiss Ready For Anything

Rome, March 27.

General Henry Glaser, Swiss Army Chief, told reporters in Rome that Switzerland will maintain its traditional armed neutrality despite the uncertainty of the international situation.

He added, however, that Switzerland is improving its defence system to discourage any attempted aggression. "Switzerland can mobilise half a million men perfectly armed within six days," he declared. —Associated Press.

Claims For Freedom From U.S.

Havana, March 27.

Claims by certain Puerto Ricans for a hearing are to be put before the plenary sessions here of the Inter-American Commission on Dependent Territories, which for a fortnight has been discussing colonialism in the Americas.

This was decided last night when a six-hour secret meeting of the Initiative Sub-Committee, set up six days ago to consider a request by representatives of the Puerto Rican Independence and Nationalist parties for a hearing in favour of independence, failed to reach final agreement.

The matter will be discussed briefly again by the Initiative Sub-Committee tomorrow, and then the whole subject will be passed to the plenary sessions.

Puerto Rico is a West Indian island in the Antilles group. It was ceded by Spain to the United States in 1898 after the Spanish-American War. Three-quarters of its population of over 2,000,000 are of Spanish descent and the remainder are coloured. —Reuter.

Cripps Wrestling With Budget

London, March 27.

Sir Stafford Cripps, Chancellor of the Exchequer, was this week-end wrestling secretly with the astronomical figures of Britain's April 6 annual budget, sustained only by a vegetarian diet and a five-hour sleep each night.

His Spartan routine gave no reflection of Britain's expected internal surplus of £900 million. It was more in the spirit of austerity compelled by the country's still menacing dollar famine.

In seclusion, somewhere in the West of England country, the "Iron" Chancellor, who is regarded as Britain's most hard-worked man, forsook work on his budget for only the briefest intervals.

The discipline of his life is mostly not a matter of inclination. Vegetarianism was forced upon him by an illness. Now he finds he needs only half the sleep of his men-enting days.

Sir Stafford was a sick man when he began the tough drill that brought him back to his extraordinary vigour. He still carries on with the routine.

After a very hot bath followed by a cold sponge down, he strides out on a brisk walk. Then he breakfasts off cereals, vegetables and fruit.

Parliamentarians have observed seriously upon human nature, that although Sir Stafford is held in great esteem, even by his political opponents, people tend to resent his vegetarianism.

It symbolises for them a cold, aloof personality. Such people have never met him. He is, in fact one of the most approachable of political leaders. As the Indians, with whose struggles for independence he was so closely bound up, soon discovered. —Reuter.

ADVICE TO ZIONISTS

London, March 27.

Professor Seilig Brodetsky, President of the Board of Deputies of British Jewry, today advised Zionists to support the Progressive Party in the Israeli Government.

Speaking at this resumed Jubilee Conference in London of the Zionist Federation of Great Britain and Ireland, he claimed that the majority of Zionists are progressive.

"Israel is essentially a labour country," he said, "and Zionism should not be associated with the reactionary view of capitalism." —Reuter.

HIROSHIMA FIRE

Tokyo, March 28.

Atom-bomb victims of Hiroshima were swept by fire which destroyed 450 houses and caused the death of one and injuries to a score of others.

The blaze started in one of the many barrack-markets, which sprung up as centres of black market activities since the war. —Reuter.

ARCHBISHOP ASKS NEW RELATIONS WITH THE STATE

York, March 27.

Dr. Cyril Garbett, Archbishop of York, said today that many people feel there is an urgent need for some change in the present relationship between Church and State in Britain.

In his April Diocesan letter, Dr. Garbett said the individual Anglican churchman has probably greater freedom than the members of any other Church, but the Church as a body is without full spiritual freedom.

This position, justifiable when every member of the State is also a churchman, is anomalous and full of danger now that the Church is in a minority.

A totalitarian State hostile to the Church would have the means of crippling its work, the Archbishop maintained.

Under the present arrangements, Parliament is the supreme arbiter of the constitution of the Church of England and the King, on the advice of the Prime Minister, appoints the bishops.

Few would wish for disestablishment, which, at a time when religion is so fiercely attacked on the Continent, would be regarded as a national repudiation of religion, the Archbishop said.

The amendment of the Book of Common Prayer is under the control of Parliament.

The Spring session of the Church Assembly last February decided to set up a Commission to report on the charges desirable in the relationship between Church and State. —Reuter.

RUSSIANS 'WOULD MARCH'

Berlin, March 27.

An editorial in the Red Army organ "Tagliche Rundschau" today said that the Russians would march into Western Europe in the event of war.

The writer said: "If the democratic powers fail in their efforts to prevent a new war, the Soviet Army will be forced to march into the territory of certain Western European countries to pursue the imperialist aggressors."

Signing himself Captain A. Morosov, the writer tried to answer speculative articles in the Western press on the military potential of Russia. He contended that the Soviet Union had beaten the Nazis almost single-handed and said the same fate awaited any other aggressor which might attack Russia.

He added that the atom bomb would prove equally dangerous for the aggressors as for the Russians.

"Nobody knows where atom bombs will fall," he said. —United Press.

TRANSLATOR OF KORAN DEAD

Paris, March 27.

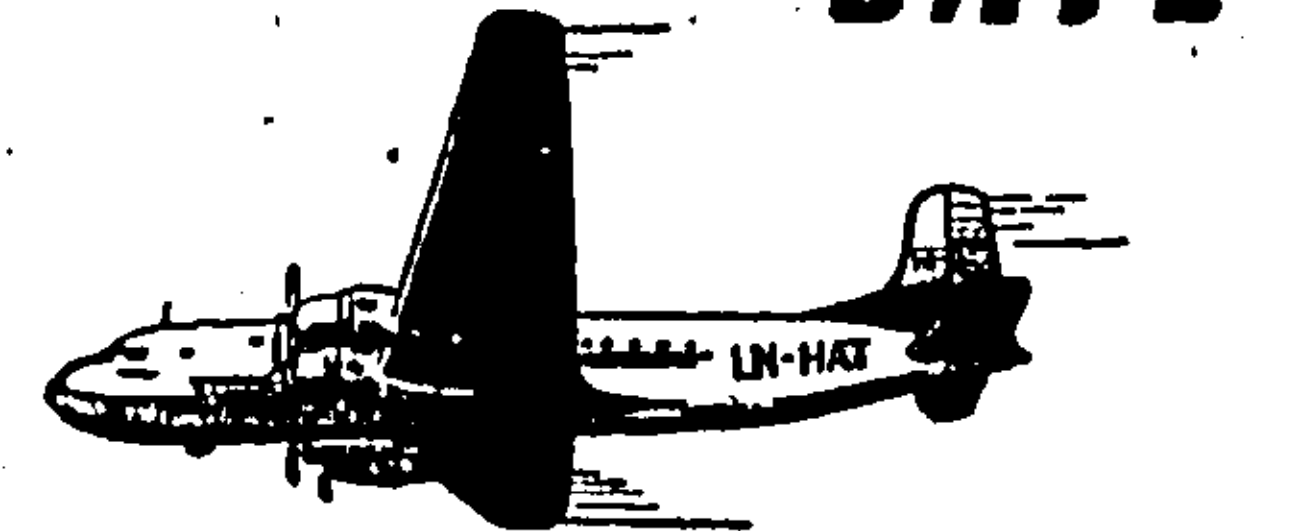
Dr. Joseph Charles Mardrus, French Orientalist, translator of the Koran and the "Arabian Nights," died here today, aged 80.

Dr. Mardrus, a physician, took part in various scientific expeditions to the East and Morocco. —Reuter.

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The photo shows the clubhouse of Club de Recreio, at King's Park.

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HURRY!

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PALESTINE TRIANGLE CHANGE

Tel Aviv, March 27.

The Rhodes negotiations between Israel and Transjordan are expected to result in a modification of the Western boundary of the Arab-held Central sector triangle when Iraq hands it over to Transjordan.

The handing over of the triangle, formed by Tulkarm, Nablus and Jenin, not covered by any cease fire agreement and regarded by observers as a danger spot, is believed to be imminent.

It is expected to be accepted by the Israelis after Transjordan has indicated that negotiations will be opened for a new line.

An Israeli military spokesman confirmed today that a reduction of forces along the Israeli-Palestine border will be ordered. The British forces at Akko, the last there has been no official statement yet on the state of the Syrian-Israeli talks.

Dr. Ralph Bunche, acting United Nations Palestine Mediator, and some delegates to the Israeli-Transjordan armistice negotiations in Rhodes are suffering from dysentery.

Dr. Bunche is confined to bed, but it is not believed that the sickness will last long.

The Israeli-Transjordan negotiations are continuing on minor details, but the major discussions have been held up until the Transjordanians receive replies to queries sent to their Government. —Reuter.

BURMA WANTS TO RE-ENTER FOLD

London, March 28.

A responsible British official said yesterday that Burma wants to come back into the Commonwealth.

The source declined to be quoted by name.

There have been several hints that Prime Minister Thakun Nu's shaky Government is thinking of rejoining the Commonwealth. However, no formal move in that direction has occurred.

Burmese diplomats here scoffed at the idea of rejoining. Speaking unofficially they say anything can happen in a country that is nearly bankrupt and finds itself torn by at least two major insurrections.

Dr. Herbert Evatt, Australian Foreign Minister, believes Burma's return to the Commonwealth is possible some day. He said so at a recent news conference in New Delhi.

And it is known that the British are watching for signs that the year-old Republic wants to re-enter the family of British Dominions.

Political informants close to the Burmese Government believe the Commonwealth countries might soon invite Burma to rejoin the fold.

The political developments in Burma are expected to be one of the subjects to be reviewed by a conference of Dominion Prime Ministers to be held in London about April 20. —Associated Press.

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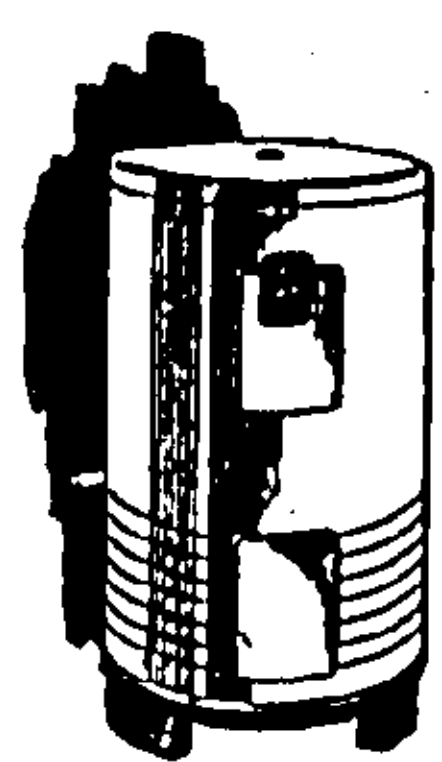
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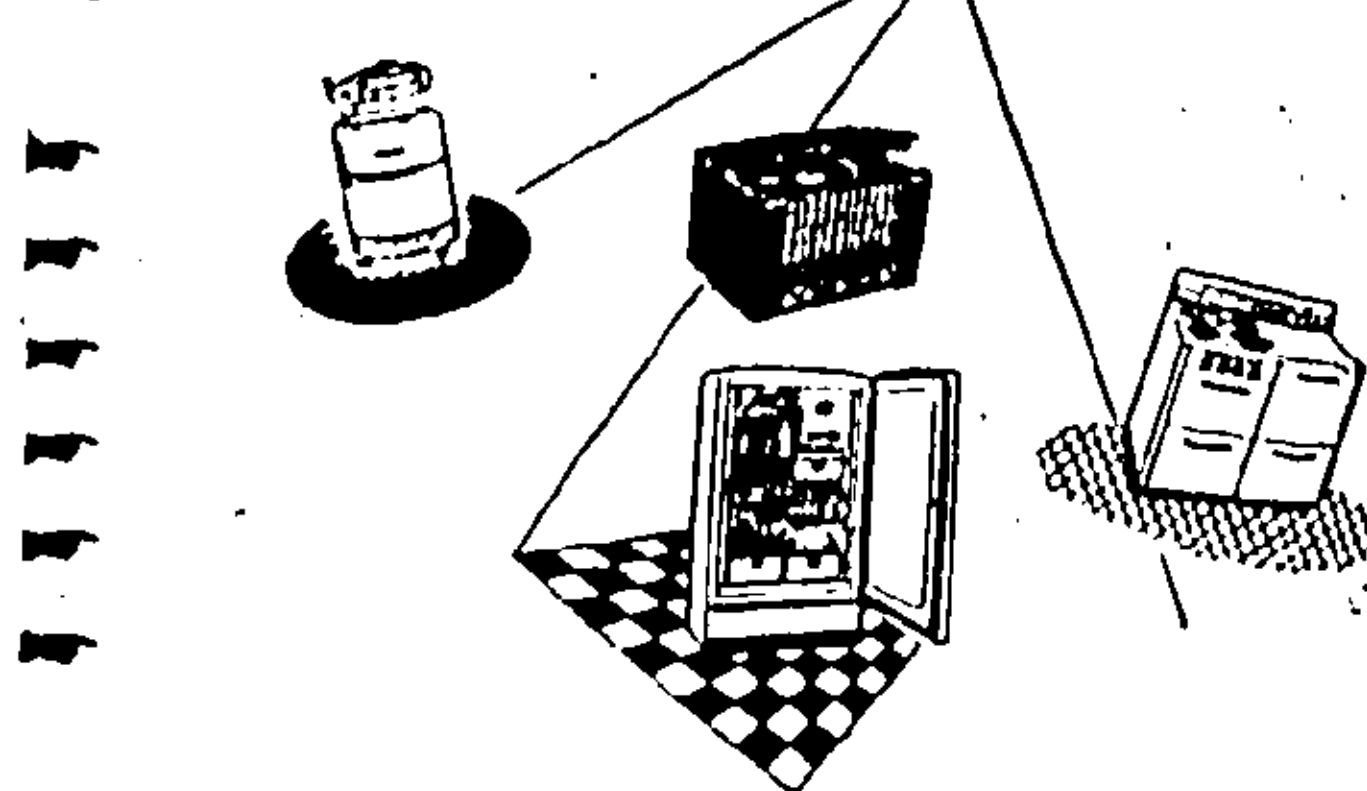
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PEACE CONFERENCE

"RUSSIA AS MUCH TO BLAME AS AMERICA"

New York, March 27.

A speech at the "World Peace Conference" today suggested that Russia is as much to blame as the United States for any drift toward war. It brought the leader of the Soviet delegation to his feet with a hot denial.

Mr. A. A. Fadeev, head of the Soviet Writers Union, challenged the remarks of Dr. Frederick Schuman, professor of Political Science at Williams College, who had said both nations are suffering from paranoia—evading their own faults by shouting war mongers at each other.

Mr. Fadeev said he was astonished at certain aspects of Professor Schuman's speech and asserted: "There are no elements in our country which desire war against the United States or any other country."

Defence of the Soviet Union drew a response from the crowd of 2,500 people gathered in the Waldorf-Astoria Hotel for the plenary session, which was the last meeting of the party except for the mass rally in Madison Square Garden tonight. After Professor Schuman had spoken, Mr. Fadeev hurried to the microphone and spoke extemporaneously.

"Professor Schuman indicated that, in his opinion, there are elements in the Soviet Union

which to some extent are responsible for the menace to the world, just as he feels there are elements in the United States also responsible.

No, Warmongers

"Professor Schuman is mistaken. There are no elements in our country which desire war against the United States or any other country."

The session passed two resolutions after booing down a man who rose from the audience to ask who was speaking for the United States at the conference. The conference chairman, Dr. Harlow Shapley, Harvard astronomer, ruled the man out of order, saying he wanted to "keep passion out of this."

This first resolution called for strengthening the United Nations as the best hope for peace and for co-operation by this group with other peace movements throughout the world.

Aimed At U.S.

The second resolution, whose preamble denounced racial discrimination, anti-Semitism, the trial of political groups and other barbarous political aims at the United States, called for cultural freedom.

Dr. Shapley said it might seem that the resolution was too critical of the United States. He added: "We realise we have to set our own house in order first. We must have the moral strength to exercise world leadership."

A resolution calling for the organisation to send a delegation to the Intellectual Congress in Paris later this Spring was turned over to the Action Committee.

Britons In Vienna Incident

Vienna, March 27.

Two British Army corporals were knocked down, kicked and struck by Soviet sentries outside the Russian-occupied Hotel Imperial in Vienna, an official British statement said tonight. The corporals—Douglas Thompson and Ronald Hudson—were walking past the hotel when Thompson unwittingly stepped inside the barrier, the statement said.

The Russian sentry shouted out Thompson could not understand, and the sentry rushed on him, knocking him down with a rifle butt.

When Hudson pushed the sentry aside, other Russian soldiers rushed out of the hotel, knocked the two men down, kicked and struck them and left them lying stunned in the gutter.

Austrian police picked them up later and handed them over to the international patrol, it was added.—Reuter.

The Nobility OF Work

Vatican City, March 27. Pope Pius XII told 1,200 pottery workers here today that the beauty and nobility of work is a high example of the spiritual ties between God and man.

The workers, received in special audience, presented the Pope with several objects of their ceramic art. A number of ceramic industry leaders from Gliva Castellana, North of Rome, were also present.—Associated Press.

URANIUM FIND IN KENT?

Rochester, March 27.

A Ministry of Supply expert has been asked to find out whether the magnetic ores discovered in Scahill Hill colliery, Kent, contain uranium.

The colliery owner, Leon Franchel, said today: "What are their possibilities in relation to atomic research we cannot say without the necessary testing apparatus. We have asked the Ministry to send down one of their scientists to go over the whole place."

It had earlier been reported in London that uranium had been found in a Kent colliery. Mr. Franchel said a hotel some time ago to work Scahill Hill, which was small enough to escape nationalisation, after a Welsh mining engineer had noticed black rainwater there.—Reuter.

POW'S RETURNED

Jerusalem, March 27.

A total of 314 Arab prisoners of war were today handed over to the Arab Legion in Jerusalem by the Israeli authorities.

One Jew who wandered into an Arab-held area last week was returned to the Israeli lines. Among the officials watching the transfer was Colonel Abdullah Tel, the Arab Military Governor of Jerusalem. He was dressed in military uniform and carried a sword as the Arab Civil Commander in the Old City.—Reuter.

Appeal Issued By Trade Unions

London, March 27.

British, United States and Dutch trade union leaders today appealed to national trade union centres still affiliated to the Communist-led World Federation of Trade Unions to consider their withdrawal.

The appeal was signed by Mr. Arthur Deakin and Mr. Vincent Tewson, for the British Trades Union Congress; Mr. James Carey, Secretary of the Ameri-

can Congress of Industrial Organisations; and M. Evert Suppers, on behalf of the Confederation of Free Trade Unions of The Netherlands.

The four leaders staged the walk-out from the WFTU Executive Bureau in January, which ended the affiliation of over 15,000,000 British, American and Dutch trade unionists to the Federation.

Today's statement, published through the British TUC, detailed the difficulties encountered by the Western trade unions in co-operating with the Eastern European movements in the WFTU.

The appeal accused the Communist trade unions of systematically pressing demands of a political character.

It mentioned the abortive negotiations with the International Trade Secretariats (international federations organised by industry), disagreements within the WFTU missions to Germany, Japan and Persia, and the WFTU decision to refuse affiliation to Western trade unions until the movements in the occupation zones were united.

The appeal ended: "The old line-up of a Communist International and a Free Trade Unions International looks ahead. There is no longer a World Federation of Trade Unions until the movements in the occupation zones were united."

Publication of the appeal coincided with the arrival of the TUC leaders in the United States for talks with CIO and the American Federation of Labour leaders on a new international body to rival the World Federation of Trade Unions.—Reuter.

PICKED UP BY RELIEF PLANE

Bologna, March 27. A relief plane today picked up 23 passengers of a four-engine German airliner which was forced to land in a field near the town of Bologna, Italy, after a British crew, which made an emergency landing here last night.

The aircraft, believed to be going to Athens from Paris, developed engine trouble just after passing Bologna.—Reuter.

LORD LISTOWEL

Auckland, March 27. Lord Listowel, the subject of whose discussions continues to be deep secret, left Auckland for Sydney, Australia, by air this morning.—Associated Press.

WALLACE SAYS:-

'ATLANTIC PACT IS ALLIANCE FOR WAR'

New York, March 27.

Mr. Henry Wallace, leader of the Progressive Party, today declared that the United States would be at war with Russia now if she had been bound in Asia by a treaty like the Atlantic pact.

He characterised the pact as a war alliance aimed at the Soviet Union, and implied that Japan would be America's ally should war come.

"Luckily there was no pact binding us to Chiang Kai-shek. If there had been a treaty like the Atlantic pact covering the Far East, we should now be at war with Russia on the Asiatic mainland."

"As it is, we have wasted billions in money of American taxpayers. More important, where once the name of America was held in the highest honour, the Chinese people now regard us as their enemies. Millions of them hold us responsible for feeding the fires of the civil war that might have been avoided."

Mr. Wallace spoke on a nationwide radio network in reply to the Secretary of State Mr. Dean Acheson's defence of the pact on March 18.

The former Vice-President said: "The Atlantic pact moves the heart of America right up to the muzzle of the first gun fired in Europe. And it commits us, without the right of deciding for ourselves, to another European war."

In his only reference to Japan, Mr. Wallace asked: "Does anyone imagine that the Japanese, with their emperor intact and his admirals and generals at his side, will not be next on the list of American allies?"

Irony In China

This reference came right after his denunciation of Generalissimo Chiang Kai-shek, the creature of Hitler and Mussolini who, Wallace said, in November, 1944, first proposed in a letter to Winston Churchill a Western alliance against Russia.

"Fascist Spain is in our camp because she hates Russia," Mr. Wallace said. "We did in China exactly what the Atlantic pact would have us do in Europe. We spent some \$6,000,000,000 to arm the Chiang Kai-shek Government. We trained whole divisions of the army and its entire air force."

"What happened? Whereas the country was only partially Communist when our military aid began, today it is all but completely Communist. And the irony is that the Communists are in great part using American equipment that they captured—sometimes bought—from Chiang's armies."

Mr. Wallace said that conditions in China have taken such a turn that even American businessmen whose very essence is conservatism pleaded through the press for a hands-off policy on the internal life of China.

"War Alliance"

"Similar results can be expected in Europe where, in answer to Russia's offer to sit down with us to talk out our differences, the State Department and the White House replied with the pact. This is a war alliance."

The first victim of the pact would be the United Nations. He ridiculed justifying the pact as a

regional pact in conformity with the United Nations charter, asking: "What kind of 'region' is it that covers everything from the Aleutian Islands in the North Pacific to Arica? Stripped of its legal verbiage, the Atlantic military pact gives the United States Army military bases up to the very borders of the Soviet Union."

Mr. Wallace said that if the people of the United States were to put themselves in the Russians' place, they would understand the true meaning of the Atlantic pact.

He asked: "Supposing the Soviets had military bases on the Mexican border? The Canadian border? Or Cuba? Could a treaty which put guns in our faces be called a pact of peace?"

"Hypocrisy"

"Has it ever happened in the world that the massing of armed men brought peace? Has it not always brought war? To call the Atlantic pact a peaceful thing is hypocrisy and nothing less."

Mr. Wallace quoted Mr. John Foster Dulles, leading Republican foreign policy spokesman, as saying that no responsible official in the United States believes that Russia plans military aggression. "If Mr. Dulles is right, and I think he is, if the Soviet Union does not plan military aggression, then to surround them with military bases becomes an act of aggression on our part. The road to peace is not lined with military bases. The road to bankruptcy is."

Mr. Wallace said that the pact forces all of Europe to rearm and to fling away its final hope for peace. He said: "We impose on Europe again its ancient curse—a massive standing army. A rearm Europe can never be self-supporting. The pact will impoverish Europe."—United Press.



HENRY WALLACE

Accident Could Mean War

London, March 27.

Moscow Radio's commentary on the Atlantic Pact today said: "It is not difficult to produce the accident on an airline or ocean that could plunge the United States into war."

The broadcast added: "The pact's Article Six means that any attack on a ship belonging to Britain or the high seas would plunge the United States into war. Provided the desire is there, it is not difficult to produce an accident on an airline or on the ocean."

The radio said the Soviet Government more than once had proposed the settling of all existing differences with the United States by peaceful means and the Soviet will continue the struggle for peace with more energy and determination than ever before.

The broadcast concluded: "It is hard to deny that a Soviet-American pact of peace would not only have regulated Soviet-American relations but would have strengthened international peace and security to a considerable degree."—United Press.

Italy's Part In Pact Approved

Rome, March 27.

The Senate tonight approved Italian participation in the Atlantic Pact by 188 votes to 112, with eight abstentions.

Immediately after the vote in the Senate, the Opposition presented an Order of the Day asking that the Government take immediate steps for the

conclusion of pacts of friendship and non-aggression between Italy and the Soviet Union and the "popular democracies."

The Premier, Signor Alcide De Gasperi, said: "The moment is badly chosen for this, because this group of nations voted against the entry of Italy into the United Nations."

He was prepared to make such negotiations when these nations give proof of their friendship by withdrawing their opposition to our entry into the United Nations."

The Senate rejected a motion by the Communist and pro Communist Socialist opposition in favour of immediate negotiations for such treaties by 178 votes to 105.

The Government majority of 76 on the vote on the Atlantic Pact was about what had been expected.

Signor De Gasperi told the Senate tonight that in the preliminary information that Italy received on the Atlantic Pact, no invitation to Spain to join the pact was foreseen. He was referring to the Communist claims that Spain would be included in the pact.

Signor De Gasperi was winding up for the Government the seven-day old Senate debate on whether Italy should join the pact. He referred to Article 4 of the pact, which the Communists have said would make it impossible for foreign powers to intervene when there is an internal conflict in one of the contracting countries.

He interpreted Article 4 as referring to operations by armed irregulars sustained from abroad, and not to civil conflicts.—Reuter.

RESCUED FROM ICE PACK

The seven man crew of the United States' C-82 plane have been evacuated from the coast of Ellesmer Island in the Arctic, according to the North West Air Command Rescue Headquarters. The seven flyers had been marooned on the ice since Friday when they crash-landed.—Force restrictions.—United Press/United Press.

Belgrade Attack On Albania

Belgrade, March 27.

The Belgrade press today launched an attack on what it described as the monstrous comedy of the anti-Yugoslav spy trials in Bulgaria and Albania.

Four Yugoslavs were sentenced to from one to 12 years imprisonment in Sofia last Thursday on a charge of spying for Marshal Tito. An employee of the Yugoslav Railway Ministry, Sava Bozidarovic, who returned from Albania last November, is being tried in his absence by a Tirana Military Court for endangering the security of the State.

The newspaper "Borba" alleged that both trials were provocations against Yugoslavia, staged as a cover for Albanian and Bulgarian efforts to infiltrate agents and saboteurs into Yugoslavia. It said that many Albanian agents are already in the hands of the Yugoslav police.

Another purpose of the Tirana trials, "Borba" continued, was to produce evidence to justify the recent arrest of the former Albanian Minister of the Interior, M. Kosta Djodja, accused of pro-Tito activities, and to concoct a case against him.

M. Bozidarovic and the Albanian defendants were also accused of attempting to help him to escape, it said. M. Djodja's arrest, "Borba" asserted, was an attempt of the parasite class which was gathered around the Albanian Premier, General Enver Hodja, and hiding behind the friendship of the Soviet Union, to liquidate the healthiest elements in the country.

Americans Have New Weapon

Baltimore, March 27.

The paper further alleged that some of the accused in this comic trial were police agents in disguise, whose task was to produce proofs by confessions.—Reuter.

The paper revealed today that his company is producing a new type of guided missile for the Air Force.

He refused to discuss the project in detail but said it is expected to be an important step forward in the development of new weapons for national defence.

Mr. Martin also revealed: 1. A new Air Force bomber of revolutionary design is taking shape in the company's drafting rooms.

2. The first test of the Viking Rocket, designed for experimental use by the Navy in the ionosphere, will be held soon at secret Government proving grounds. In a statement to be presented to the Company's annual stockholders meeting on April 12, Mr. Martin mentioned the new missile but said he could not discuss it in detail because of Air Force restrictions.—United Press/United Press.

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NEW ERA OF UNITY IN POWER STRUGGLE

LLOYDS MERGER REVEALED

London, March 28.
Lloyds Register of Shipping and the British Corporation (Register of Shipping) are to be amalgamated, Sir Ronald Garrett, Chairman of Lloyds Register, announced today.

The British Corporation will be merged with Lloyds Register under the title of "Lloyds Register of Shipping" and the staff of Lloyds Register, the British Corporation, Registrar, the Corporation name being a sub-title.

Publication of the British Corporation Register book will be discontinued and the British Corporation staff will be merged with the staff of Lloyds Register. Some time will elapse before the fusion is complete.

Sir Ronald will remain Chairman of the amalgamated concern.

Lloyds Register, strengthened by the addition of the British Corporation and the American Bureau of Shipping, are now one of the two predominant, though independent, classification societies.

They cover between them some 80 per cent of the world's merchant tonnage.

Lloyds Register, established in 1760, reconstituted in 1834 and a worldwide organisation by the end of the 19th century, is much the oldest classification society in the world. Reuter.

Programme To Aid Steel Industry

Paris, March 28.
A U.S.\$100,000,000 programme to modernise Western Europe's steel industry with ECA funds is being considered by ECA officials.

It was reported that the programme calls for the buying of modern rolling mills and rolling mill equipment as part of a long-term plan in Western Europe.

The plan already approved by the organisation for European economic co-operation covers Austria, Italy, Britain, France, Belgium, Luxembourg, Turkey and Norway.

Mr. George W. Perkins, head of the industry division of ECA here, said it would be the first time such a programme is attempted on an international basis. He said it is almost certain to be approved.

Mr. Kenneth E. Brown, head of the iron and steel section of ECA, said that ECA countries asked for in buying modern equipment to increase the efficiency of the steel industry.

He said U.S.\$100,000,000 would cover Western Europe's need for ore mining equipment required to assure a steady flow of raw materials needed by the steel industry to keep up production and rolling mill equipment for the production of short supply items, such as sheets, plates and tin plate and for such products as reinforcing bars, wire rods, pipes and tubes. United Press.

"Wonder Drug" In Synthetic Form

Washington, March 27.
The "Wonder Drug" chloromycetin, which has proved successful in the treatment of typhus and other fevers, has now been produced synthetically on a practical scale for the first time.

Simultaneously with the announcement today by Parke, Davis and Company, the United States Army Medical Corps stated that it is testing the drug in the Malay jungles.

A team of doctors and scientists which tested the natural drug on native patients in Malaya last year, has now resumed studies on a broader scale.

Now the Army unit is testing

ATTACHE KILLED IN AIR CRASH

Bombay, March 27.
Press reports today said J. W. Thompson, aged 29, press attache at the United States Consulate in Calcutta, and Wing-Commander Hem Chaudhuri of the Indian Air Force were killed yesterday when their plane plunged into the Ganges River at Nanganang Ghat, 10 miles off Calcutta.

Wing-Commander Chaudhuri was piloting a two-seater plane, a Canadian-made Chipmunk, when it developed engine trouble at about 2,000 feet after taking off from Barrackpore airport. The bodies were recovered about 40 minutes after the crash. United Press.

Washington, March 28.
Foreign Ministers of 10, perhaps 12, Western nations will gather here this week to sign the Atlantic Security Pact and open a new era of Western unity in the bitter power struggle with Russia.

Attempts are expected to be made to advance toward an agreement on four or more major international subjects. These involve Italian colonies, Western Germany, other regional alliances and Atlantic defence machinery.

Most of the European foreign policy leaders, among them Britain's Ernest Bevin and Robert Schuman of France, are due here about Thursday. But some are coming earlier and indications are that the Italian Foreign Minister, Carlos Sforza might arrive on Monday.

These men and others, such as the Belgian Premier and Foreign Minister, M. Spaak, are coming not only to sign the treaty but also to iron out, among themselves and with the U.S. Secretary of State, Dean Acheson, issues requiring action of the Western powers on other fronts of the cold war.

These issues include:

1. The Italian colony problem in the United Nations.

The major question is the kind of control for the colonies stripped from Italy as a result of the war.

Pacific Pact

The issue is whether Italy should exercise a United Nations trusteeship over them or whether some other kind of administration should be provided.

2. Unification and development of Western Germany. This is a topic of primary concern for Mr. Acheson, Mr. Bevin and M. Schuman. They are expected to take it up in a special but informal conference.

3. What to do about regional alliances in other parts of the world outside the Atlantic area, particularly the Near East and Mediterranean area. M. Bevin has already discussed this problem with the Foreign Ministers of Greece and Turkey.

Cardinal Held In Isolation

Vatican City, March 27.
The U.S. State Department is interested in learning the circumstances under which Jozsef Cardinal Mindszenty is being held in prison, the Vatican Radio said today.

"This interest," a Vatican news broadcast added, "is due to reports that the Cardinal is kept in complete isolation and is suffering extreme mental depression."

The same broadcast said that Cardinal Mindszenty is serving a life sentence imposed by a Hungarian People's Court. Hungarian Communist authorities announced recently that Cardinal is being detained in suitable living quarters, not in a prison cell. Associated Press.

Constitution For Europe

London, March 27.
Five new member States—Italy, Elze, Sweden, Norway and Denmark—will be represented when the Council of Europe conference opens at the Foreign Office here tomorrow for further work on an already partly prepared Constitution.

According to the plans so far worked out by the original Western Union members of the Council, the Assembly of Europe is to have a deliberative but not a legislative function.

It would be empowered to make recommendations to its Committee of Ministers, which alone would exercise executive power. It has been further recommended, in the provisional proposals submitted to the founding Western Union powers by the Council's Permanent Commission in February, that defence and most economic questions shall not be within the Council's terms of reference. Reuter.

Closure Of Russian Consulates

Teheran, March 27.
The Persian Government refused comment, confirmation or denial of reports that the Soviet Government is closing down its consular offices in Persia.

At the same time, usually reliable sources said the Soviet Embassy notified the Persian Government on March 20 of the Soviet Government's intention to close the consulates.

Reports from the provinces reaching Teheran said the Soviet consulates in Isfahan, Tabriz and Meshed are packing up and are ready to move. More than three years ago, the Persian Government asked the Soviet Government, which maintained 12 consulates in Persia, against one Persian consulate in Soviet Russia at Baku, to close down in accordance with reciprocity agreements.

The Soviet Government has closed down four consulates since, but eight consulates still exist here. Diplomatic quarters here believe the Soviet action here prompted by the disproportionate cost of maintenance to the results obtained.

It was reported in Washington last Friday that the Soviet Government was closing down its consular offices at Tabriz, Meshed and Ahwaz. Reports received did not make it clear whether this constituted a formal closing down of the consulates. Reuter.

Red Army Accuses Western Allies

London, March 28.
"Red Star," organ of the Soviet Army, today accused the United States and Britain of rebuilding the former German General Staff and Army in order to turn Western Germany into their military strategic base.

An article on the subject was broadcast by the Moscow Radio and heard here. It said:

"A bureau known as 'Erfurt' has been set up in Neustadt, staffed by the German Generals, Guderian, Kuchler, Schultz and others."

"They have been set the task of summarising the experience of the military operations on the Soviet-German frontier."

"In addition, some sort of German General Staff has been formed under the guise of a military historical committee."

"It is directed by the war criminal Hitler, former chief of Hitler's General Staff, and is working in close contact with a special department composed of 27 German Generals attached to the American General Staff in Washington."

"Red Star" said that the alleged staff work by the German Generals is an undertaking similar to what the Germans carried out between the two world wars.

"A German Army actually is being set up in Western Germany in the form of various semi-military organisations and even undisguised military formations," the Russian Army newspaper said.

As examples it mentioned ex-soldiers' unions, hunting clubs, sports clubs, industrial police and labour squads.

In the British occupation zone, it said, German youths are being taught hand grenade throwing.

PORTUGAL AND SPAIN
Lisbon, March 27.
Senor Nicolas Franco, Spain's Ambassador to Portugal and brother of the Spanish Chief of Staff, left for Madrid by air today.

The discussions he had there last week with the Portuguese Foreign Minister, Dr. Jose Casares Mateo, are believed to have been connected with the Atlantic Pact. Reuter.

INDIA HOLDS SECRET TO EMPIRE TALKS

London, March 27.
India alone is believed here to hold the main secret of the impending Dominion Prime Ministers' Conference—the formula which may enable her as a republic to maintain Commonwealth co-operation.

The Commonwealth countries have indicated their desire that India should continue this co-operation after assuming her new status in August.

But India herself is expected to suggest to the Commonwealth Prime Ministers, when they meet in London late next month, how she thinks this can be done.

The whole future concept of the Commonwealth is likely to hinge upon India's action. Speculation upon the formula likely to prove acceptable both to India and the other nations of the Commonwealth is considered pointless meanwhile, since the initiative lies with India and not with the other members of the Commonwealth.

Suggestions have been revived of a graduation of Commonwealth membership that would reconcile the national aspirations of the various Dominions. But political quarters here think that the new India would not welcome any association which employed a differentiation of status between the Dominions.

Urgent Problem

On the other hand, several of the Dominions consider the Crown to be the indispensable symbol of the Commonwealth association. This is one of the main problems that will have to be solved in the forthcoming conversations.

The possibility that the whole future concept of Commonwealth relations may have to be modified in the light of the changing world conditions, was clearly visualised when the Dominion Prime Ministers met in London last October.

The emergence of the new Republics of India and of independent Pakistan and Ceylon has given an urgency to the consideration of this new concept.

Pacific Defence

Many vital questions of concern to all the Dominions, including Commonwealth security in relation to the South East Asian Communist upsurge and Southern Pacific defence, are being brought up with the present constitutional problem.

Clearly the Dominions as a whole can have no complete picture of future Commonwealth safeguards for peace and economic development until it is known, for instance, whether India, consistent with her national aspirations and outlook, feels she can be identified with them.

SHANGHAI RAILWAY CRASHES

Shanghai, March 28.
Three were killed and more than 10 injured in two railway accidents yesterday morning along the Shanghai-Hangchow and Shanghai-Woosung railway lines.

The first disaster, in which a stoker and a woman passenger were killed on the spot and seven others seriously injured, occurred when an express collided with a Nanking-bound train just outside Shanghai's main station.

Both engines were badly damaged and required several hours to be removed from the tracks.

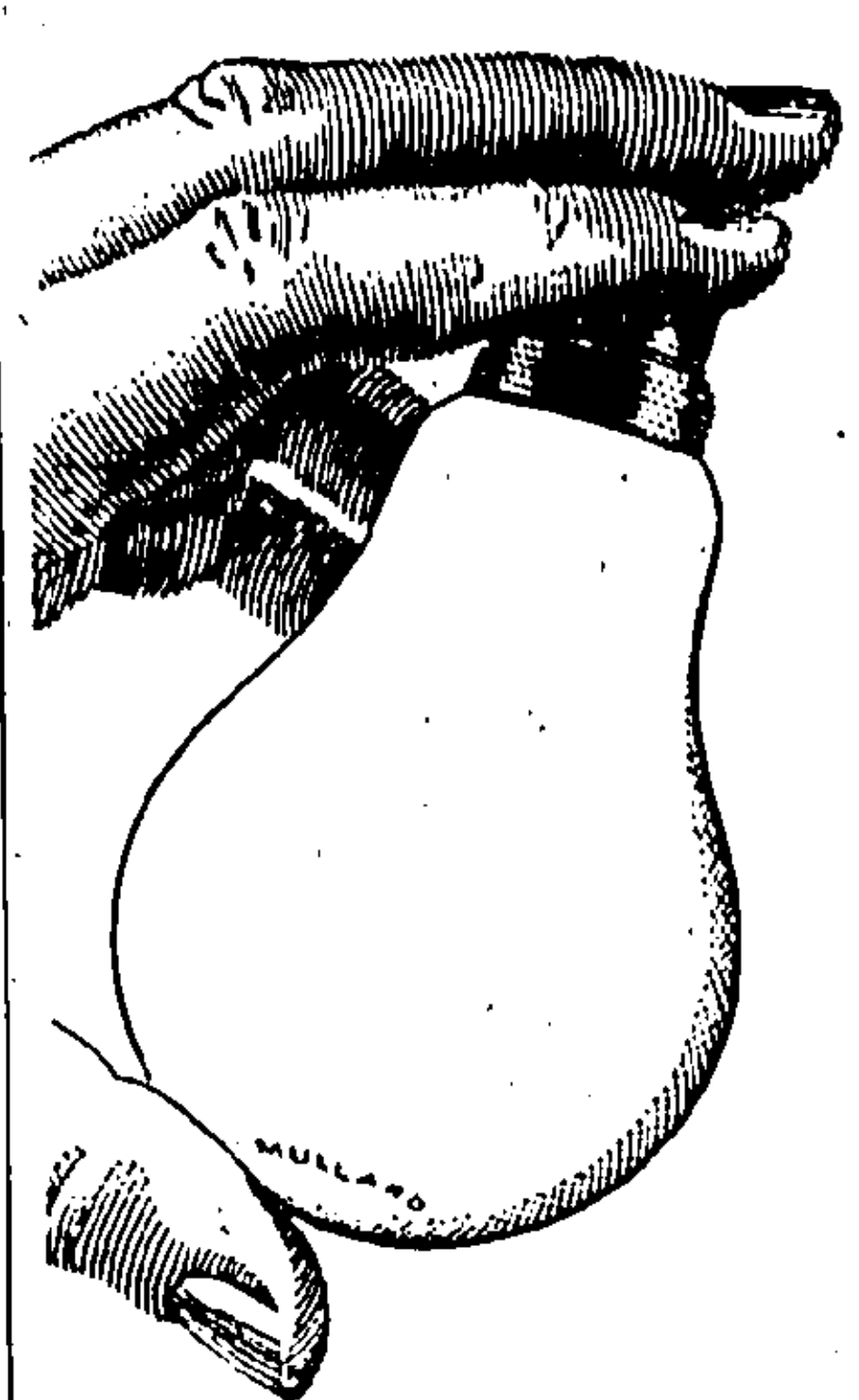
The second accident took place yesterday morning, when a large military truck was hit by a speeding train at a crossing near Changwangang, on the Shanghai-Woosung railway.

The truck driver was killed instantaneously and three passengers on the vehicle seriously injured. Reuter.

PACIFIC QUAKE

New York, March 28.
A fairly severe earthquake occurred in the South Pacific on Saturday, the Reverend Joseph J. Lynch, Fordham University seismologist, reported today.

He said the quake was recorded on the Fordham seismograph at 6.53 a.m. and 6.55 a.m. GMT on Saturday and that it probably occurred between the Dutch East Indies and New Guinea. Associated Press.



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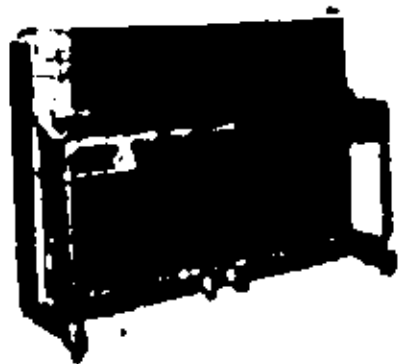
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"DEMOCRATISATION" OF JAPAN NOT COMPLETED

Prayers For Ethiopia

Addis Ababa, March 27.
Prayers are being said in
all churches in the Abyssinian
capital today for the success
of the Ethiopian delegate to
the United Nations General
Assembly in New York,
where the future of the
Italian colonies will be dis-
cussed.

An Ethiopian Foreign
Ministry spokesman today
challenged Italy's right to
distribute a memorandum on
Eritrea. He stated that
Ethiopia had never asked for
trusteeship over Eritrea but
for union with it.—Reuter.

Russians Say 'Yes' For Once

Berlin, March 27.
The Russians announced to-
day that they would agree with
the Western occupying powers
to put all Germany on Summer
time on April 10.

They expressed the hope that
the added daylight would help to
alleviate the electric power short-
age in their blockade-pinched
occupation zone.

The Western Powers announced
a week ago they were putting
clocks ahead an hour next month
in Western Germany and Western
Berlin. While the Russians hesi-
tated with a similar announce-
ment, the prospect existed that
the divided city might have to
cope with two time schedules.

But today, the Soviet Army
paper announced that Eastern
Germany's clocks would be moved
ahead and promised relief from
the drastic power ration, for fac-
tories and homes, which had been
imposed last Autumn.

The new schedule will put all
Germany two hours ahead of
Greenwich Mean Time.—Associated
Press.

Tokyo, March 27.
The job of democratizing Japan has not yet been
completed, according to American education
officials here.

They believe the whole Japanese education pro-
gramme is threatened by the shifting of em-
phasis from reform to Japan's economic re-
covery.

They see the American-
inspired nine-point economic
rehabilitation and reconstruc-
tion programme for Japan as
meaning less education for the
Japanese and less training to-
ward the democratic way of life.
Some of these officials are
frankly and openly worried
about it.

Figures revealed on the pro-
posed Japanese budget indicate
substantial curtailment in ap-
propriations for implementation of
the educational system.
Dr. A. K. Loomis, of General
MacArthur's education division,
believes that such curtailment
will have serious consequences.
However, Dr. Loomis said that
the proposals in the budget for

the fiscal year 1940-50 now be-
fore the Diet are still in the fluid
stage and that education officials
hope to salvage at least part of
their original requests.
The budget has been composed
by the Japanese Government on
suggestions from General Mac-
Arthur's economic and scientific
section which is also co-ordinat-
ing the implementation of the
nine-point programme.

Cuts Attacked

There is considerable dif-
ference of opinion between
the education section and
economic experts on the merits
of the educational appropri-
ations.

The cry for restoration of cuts
in education funds does not come
just from Allied personnel who
are interested in seeing the re-
form and re-education pro-
gramme continued here.

It also comes from such
powerful organs as Japan's lar-
gest newspaper, the Mainichi,
which has a daily circulation of
3,500,000.

A "Mainichi" editorial attacks
the cuts in the educational ap-
propriations on the grounds that
they not only would do away
with the frills but with essentials
and that future Japanese genera-
tions would be badly educated
and unprepared for their role as
proper citizens of the nation.

Many Allied officials and neu-
tral observers who have been
in Japan since the end of the
war firmly believe that more
instead of less emphasis should
be placed on the Japanese educa-
tion system by the Allies, and
that more of the funds from the
United States should be used to
the re-education of the Japanese
along democratic lines.

There has even been some cri-
ticism of the fact that there has
not been enough effort here to
sell democracy to the Japanese
people through schools which are
in a position to train Japan's
coming generations.—United
Press.

New Theory On Cancer

London, March 27.
Experiments carried out by
Dr. W. E. Cye, Director of
the Imperial Cancer Research
Fund, and his colleagues
may, according to the Brit-
ish Medical Journal, lead to
the biggest advance in can-
cer research for many years.
In most fields of research
the view is held that cancer
is mainly produced by
chemical agents. But in a
paper published in the
Journal, Dr. Cye says: "The
experimental evidence points
to the conclusion that cancer
has a continuing cause and
that this, in mammals, as in
birds, is a virus."

The Journal comments that
if this conclusion can be safe-
ly accepted then it means
that of the current theories
of the nature of cancer, some
90 per cent can be quietly
relegated to the waste paper
basket, leaving investigators
free to concentrate on a much
more limited area, through
which certain obvious paths
are clearly indicated.—Reu-
ter.

NETWORK OF SPIES ALLEGED

Buenos Aires, March 27.
The police said today that a
middle-aged Russian doctor is a
member of a vast network of
foreign spies operating in
Argentina.

Dr. Matwieyev, aged 52, was
arrested yesterday on suspicion
of smuggling. Search of his belong-
ings disclosed 500 cigarette
holders valued at 6,000 pesos and
a variety of electrical equipment,
all believed to have been smug-
gled into the country.

However, the searchers also
found a plan of the Public Works
Ministry and National Sanitation
Department, charts tracing Buenos
Aires' principal water mains and
notebooks filled with writing in
code.

The Federal police also an-
nounced the arrest of an uniden-
tified smuggling suspect, but did
not indicate whether this was
connected with Matwieyev case.
—United Press.

CANTONESE BY RADIO

BY S.K. LEE

Lesson 31 (D)

Vocabulary:

176. (to) toh
177. (ngoh) ngaw

Stomach.
Hungry.

Combinations:

11. Sui' yeen.
12. Haw' yee.
13. Toh' ngaw.

Although.
May. Can.
Hungry.

A Story: (Continued)

21. Sui' yeen' kui' moh
tsen',
daan' hai' kui' m pah'.
yun' wai' kui' yau hoh'-
dau' leng' shaam' foo'.
haw' yee' maaye bay'
yun ah'.
Although he was without
money, (but) he wasn't
afraid, because he had many
fine suits which could be
sold to people.
22. Kui' noy-but' noy
ning' dee' shaam' hui'
maaye.
From time to time he took
some clothing to sell.
23. Kui' yut' yau tsen'
dzau tsen' pung' yau
yum'.
As soon as he had money, he
(then) would invite friends
to a feast.
24. Moh' gay' noy, kui'
dzau yee-ging'
maaye saaye' kui-dee'
shaam' foo' lok'.
Soon, he (then) had sold all
his clothing.
25. Gaw' jun'-shee, kui'
moh tsen' shai'.
moh yeh' maaye,
moh dzau'-deem' jue,
moh shaam' jeuk'.
yau moh faan shik.
By then, he had no money to
spend, nothing to sell, no
hotel to lodge in, no clothes
to wear and also no food to
eat.
26. Kui' hoh' toh' ngaw.
He was very hungry.

(To be continued)

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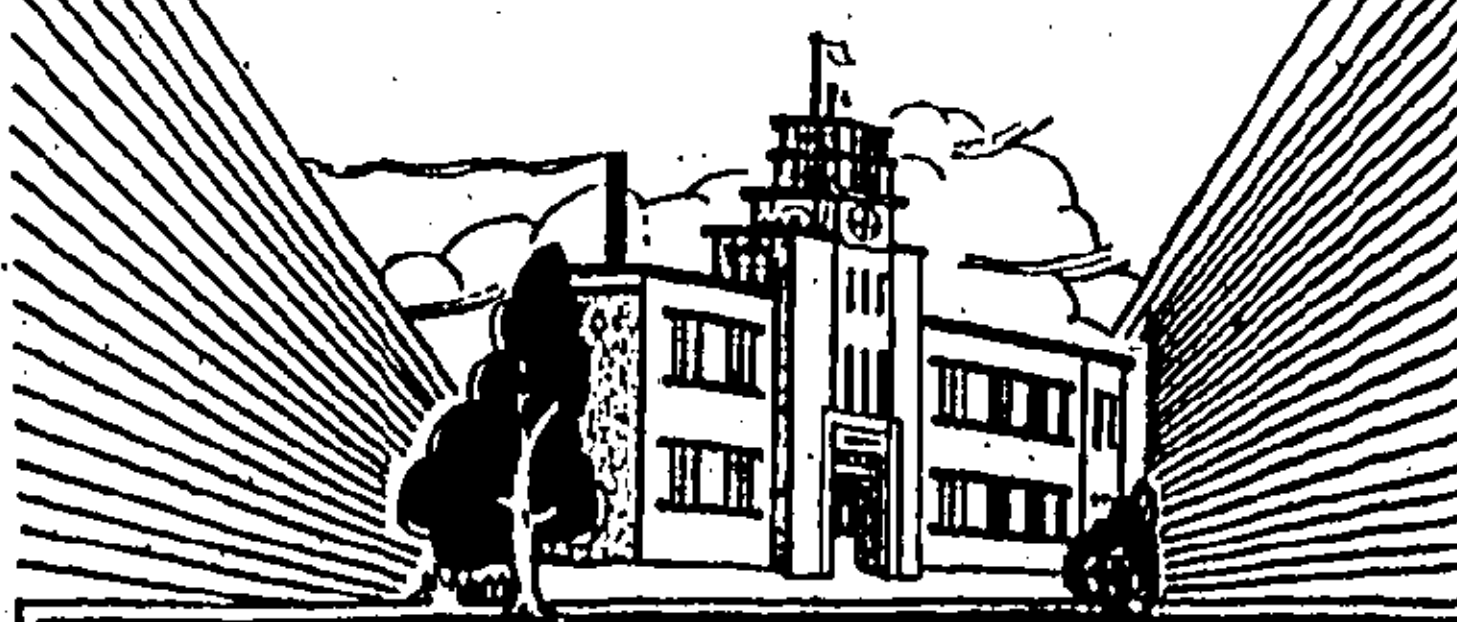
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"NINGHAI"	Pientsin	10 a.m. 30th Mar.
"PRODUCE"	Amoy, Shanghai, Yokohama & Kobe	5 p.m. 1st Apr.
"HUPEI"	Incheon & Pientsin	4 p.m. 2nd Apr.
"TSINAN"	Swatow	3 p.m. 3rd Apr.
"FOYANG"	Bangkok	4th Apr.
"FUKIEN"	Singapore, Batavia, Cheribon, Sourabaya & Macassar	7th April?
"SHENGKING"	Shanghai	4 p.m. 8th Apr.?

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ARRIVALS FROM

"HANYANG"	Tientsin, Incheon & Pusan	31st Mar.
"HUPEI"	Swatow	9 a.m. 1st Apr.
"SINKIANG"	Bornio, Amoy & Fouchow	1st Apr.
"FOYANG"	Kobe	2nd Apr.

RIVER SERVICE

"FATSHAN"	Hongkong/Canton	Canton/Hongkong
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	10 p.m. 1st April	9.30 a.m. 31st Mar.
	Midnight 4th April	11 a.m. 3rd Apr.

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"CLYTONUS"	via Fanchow, Casablanca & Havre	8th Apr.
"EUMAEUS"	Non Schedule Ship	12th Apr.
"ASTYANAX"	via Genoa, Marseilles & Glasgow	24th Apr.

Arrivals from

"TITAN"	U.K. via Straits	31st Mar.
"ASTYANAX"	"	3rd Apr.
"TYNDAROS"	"	5th Apr.
"EUBARUS"	U.K. via Straits & Manila	10th Apr.
"CALCHAS"	U.K. via Straits	14th Apr.
"STENTOR"	"	20th Apr.
"ANTENOR"	U.K. via Straits & Manila	26th Apr.

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"SHANSI"	Sandakan, Brisbane, Sydney & Melbourne	26th Apr.
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"SHANSI"	Australia & Manila	19th Apr.
"CHANGTE"	Australia	3rd week Apr.

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9 p.m.	31/3/1940
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Colony's Budget Under Fire

(Continued from Page 1)

"So three quarters of the cherry has gone and we are left with \$45,750,000 for further allocation. Here I will introduce another head being grants of money in aid of institutions (officially called Subventions). They total \$12,000,000 and may be roughly classified as—Education \$8,700,000, Medical \$2,700,000, and Social Welfare \$500,000. "Therefore, after paying for all salaries and overheads and charities or grants, we have left \$34,000,000 and this is how it is proposed to appropriate that sum—'Special' Expenditure for Government Department—\$11,500,000 and I will explain the nature of this by giving you some of the principal items involved—

Principal Items

"The Agriculture Department is going to get an experimental and breeding station. \$140,000
"Civil Aviation wants motor transport. 77,000
"Education Department requires equipment and furniture for Government schools. 360,000
"The Fire Brigade desires pedestrian Hydrants and fire alarm system. 71,000
"The Defence Force wants money for anti-aircraft units, motor transport and a reserve of stores and equipment. 800,000
"The Railway wants to relay and renew its permanent way and repair its workshops. 1,200,000
"The Marine Department requires launches and launch engines, buoys and moorings. 950,000
"The Medical Department will install an air conditioning plant, hospital equipment is also needed, together with motor cars and ambulances. 200,000
"Miscellaneous Services require a legacy of the Occupation Period salaries, post occupation claim and reinstatement of pre-war deposits. 3,500,000
"The Police wants more generalising plant and equipment, radio-telephony equipment, tear smoke equipment, and a canteen. 900,000
"The Sanitary Department requires more refuse lorries, refuse and street washing vans, etc. 1,000,000

"Special" Outlays

"This will give you a fair idea of what 'Special' expenditure is. There is now \$1,500,000 left for allocation, \$21,500,000 out of the original \$180,000,000 estimated revenue. Here 'Public Works Extraordinary' are called upon to supply new buildings, hospitals, reclamations, roads, paths, prisons, workshops, etc. for the benefit of the service concerned and these will cost \$12,500,000.
"The Kitty is now practically exhausted with but \$2,000,000 left for Colonial Development and Welfare Schemes comprising Fisheries Research Station, reclamation at Aberdeen, Upper Air Reporting Stations, all recoverable from Grants and taken into Revenue.
"All that I have said so far relates to the disposition of expected revenue of \$180,000,000. There are, however, contemplated additional activities that will be financed by borrowing to the tune of \$48,000,000 so that, actually, the total amount of money coming into the coffers is expected to be around \$228,000,000.
"You will appreciate that the lenders of this borrowed \$48,000,000 will want interest and repayment later on, so that revenue will have to bear not less than 4-1/2 per cent a year equivalent to an annual increase in our expenses of at least \$2,000,000.

Borrowed Money

"This is how it is proposed to spend most of the \$48,000,000 borrowed—
"Building Quarters for Government Employees. \$4,000,000
"Building Police Stations and Block Houses. 6,500,000
"Education Building Plans and a two million dollar grant to the University. 5,000,000
"Pre-Occupation Claims nearly 1,000,000
"Harbour facilities, Lighthouse equipment. 2,000,000
"New Airport. 4,000,000
"Tidal, Sea Walls and Dredging. 3,000,000
"Railway Rolling Stock, Permanent Way, etc. 13,000,000
"Waterworks. 2,000,000
"I now turn to the revenue side of the Budget. There has been no special outcry following the Financial Secretary's announcement of the proposed increased duties in table waters and on cheques and, rumour having been quashed in the matter of a possible immediate increase in the salt and profits tax, the collector appears to be one of acquiescence.
"But I do commend to your consideration the estimate of revenue expected from working the Kowloon-Canton Railway. The Governor said on Budget Day that a record was established in passenger traffic last year, to yet the total estimate from the Railway for 1940/41 is, to my mind, disappointing in relation to the expenditure we are called upon to carry.

Budget Figures

"The budget figures are \$5,000,000 for revenue and \$5,400,000 for expenditure, or an apparent surplus of \$200,000, but on reference to another section of the Book, I find that \$13,200,000 is to be paid out of borrowed money for rehabilitation.

"I am not suggesting that the whole of this \$13,200,000 should be written off in the year, but it does seem to me inconceivable that the interest and redemption charge which any commercial concern would have to provide as an expense should be so treated by this quasi-commercial undertaking in fixing its tariff of charges for passengers and goods.

"Such loan servicing will amount to not less than \$800,000 for a year, which means in effect that in a record year the concern is still burdening the taxpayer to the extent of at least \$400,000 and if an equitable proportion of the cost of pensions, passages and other expenses of technical officers serving Railway exclusively were properly allocated to the Road, our real loss would be considerably higher—and all this in a record year.

"I appreciate that a spread of some of the charges made this year may be justifiable, but, on the other hand, what about the spread per contra of similar charges written off in toto in previous years?

"Another matter which I would ask you to ponder over concerns claims, pre-Occupation and Occupation, provision is again made this year for the payment of some \$4,500,000 \$3,500,000 of which are to come out of current revenue and \$1,000,000 is to be found by borrowing; but I look in vain for any attempt to help the little man who lost his all and is still licking his sores.

War Losses

"I escaped the Occupation, and, for your interest, this is what the Colonial Office wrote in reply to my inquiry, during the year, on the subject of war losses. 'The direct losses from Viscount Cranborne and I quote 'It will be the general aim of His Majesty's Government after the War that, with a view to the well being of the people and the resumption of productive activity, property and goods damaged or destroyed in the Colonial Empire should be replaced or repaired to such extent and over such a period of time as resources permit.

"If the resources of any part of the Colonial Empire are insufficient to enable the property to be replaced, His Majesty's Government will be ready to give what assistance they can in conjunction with such common fund or organisation as may be established for post-war reconstruction.

"The War has been over for nearly four years and I have yet to see signs, in this part of the Empire at any rate, that such a policy is being implemented. What is happening for example to the Japanese assets in Hong Kong—the valuable leasehold scattered over the Colony, in Kennedy Road, Conduit Road, Macdonnell Road, Magazine Gap, Minden Row, the Oriental Building on the Praya, the Custodian Wharf, the considerable site at Yau Ma Tei.

"Why not urge that these be sold now (while the going is good). Admittedly the fund created thereby would be small, but at least it would be a gesture in the right direction and, as a by-product, might not again be overlooked when the Peace Treaty is signed.

Another Point

"Yet another point I would ask you to consider is the process of assembling the Budget. What, for instance, is the objection to the Heads of Government Departments arguing their cases for finance before the select Committee concerned, with the Press being present?

"Any constructive criticisms forwarded on to our energetic Honorary Secretary will receive your committee's close attention, but to give added weight to our elbow we must have an ever increasing membership—not 600 nor 5,000 but 50,000.

"As an old resident of this Colony, with my home here, I regard the effective working of this Club as an intricate (and if I may say so, an insurmountable) task that we are going to hold this place, that we must maintain an official majority in the legislature, that we must have an articulate and representative position, and that public opinion shall be heard in the most effective high places.

"To our Hong Kong Chinese friends, the families who have lived here for generations, who have prospered here, who know and enjoy the real benefits of life under the British flag—I would ask you to support us and therefore, yourselves in your thousands without fear of intimidation and with the knowledge that we will fight to see that you are not left out on a limb.

In his speech Mr. F. E. d'Almeida Remedios said in part as follows:

Mr. Remedios Speaks

"If there is one thing we should be agreed upon today it is that Mr. Martin should be commended on the very able manner in which he has presented the implications of the 1940-1950 Budget. But personally, as the second speaker, I should upbraid him for putting me into this strait-jacket from which I can only hope to be freed by your tolerance.

"The 1940-1950 Budget is a 'cold blooded' one in the sense that it makes provision for every conceivable Government need, but relegates to the limbo of the forgotten the poor taxpayer, who is still left on his own head-end where public assistance and his recreational facilities are concerned. We would have less reason to grouse if taxation had been raised to produce another \$20,000,000 or \$30,000,000 which could be devoted to the building of a City Hall, etc., etc. But now we are to feel as the unwanted child.

"You have heard from Mr. Martin that if all the 'personal emoluments' were added together, they would reach the staggering total of \$81,500,000 or 45% of the total income from revenue. Now, this is a curious record, but fortunately we seem to be able to bear it because conditions are still prosperous here and there seems to be plenty of money about.

"But would you dub me a pessimist if I were to say that there are many who see in the 'softening' of the cost of world prices the portents of a depression to come? I don't think so. I don't think you would be right if you did. I think it would be very timely if we were to sound a note of warning that the people of Hong Kong will expect the efficiency experts, whom Government has engaged to examine very carefully and minutely the working of each and every Government department with the view to future economy.

"And I think we should make it known that in our opinion this economy can best be effected if more of the important posts, in the Government service, were available to locally engaged personnel.

"From Mr. Martin's summary of where the money goes, it seems that the P.W.D. will be billed to us this year at about \$35,000,000. In addition, quarters are to be built for civil servants (the civil servants are not disclosed), stations are to be erected for the police and more school buildings are to be provided. We should not doubt that these expenditures are necessary, but this does not do away with the necessity of having to say in a loud voice that there must be no lavishness—no extravagance.

No Privileges

"To be sure, Government servants have the right to require that they be properly housed, that their personal efficiency must not be impaired by any domestic difficulties which may result from inadequate living conditions, but they must not expect amenities superior to those enjoyed by similar servants elsewhere.

"Our streets and roads are to receive attention and the bill for this service will run into millions. Here, also, the heavy expenditure seems unavoidable, having regard to the lack of maintenance during the years of occupation. We have the right, however, to expect that officers of the P.W.D. will be on the alert and will not allow special priorities to thoroughfare services are used by the privileged class, but rather will develop the programme according to the degree of need. In this connection, the department would do well to bear in mind that there are main arteries in the heart of Yau Ma Tei and Mong Kok—and possibly elsewhere, once known of these—which are in a condition totally unworthy of the department's reputation.

"The Police department will cost us almost \$27,000,000 overall. It is a heavy price to pay about 15% of our income from revenue for the prevention of crime. Yet it may be said to the credit of the Police, that the record in the post-war era is a glowing and promising one and, moreover, there are problems of a peculiar character which the force may have to face so that all in all, we should pass up this item with a prayer that there may be more tranquil days ahead when the cost of this service may be pruned to a more realistic proportion of our total income.

On Education

"The expenditures of \$23,000,000 on education and almost \$24,000,000 on medical services are not high in relation to our population if we assume that the latter is about 2,000,000.
"Now I come to the Railway slated at \$10,500,000 and it is the last of our 'eight figures' department.

"It has been said that the Railway carried last year a record passenger traffic. You should not beguile yourselves into believing that this increase in traffic is due to any improved service or other attraction. Rather, it is purely a fortuitous result of the restricted river traffic and possibly, it also reflects the disturbed political situation in the hinterland.

"However, if we accept it at its face value, that passenger traffic reached a peak last year, but notwithstanding this achievement, the Railway is expected to be run at a loss this year, then I say it is high time we should say to the Government that the running of our Railway should be carefully investigated to check up whether the revenue suffers from inadequate rates for local traffic, or whether the local service is disproportionate to the traffic carried, or again, whether the allocation of earnings from through traffic is inequitable.

"Something should and ought to be done; we should not be satisfied with the legend that we are committed to one of the most expensively operated lines in the world.

"I have lastly to say that 26 odd other Government departments share the responsibility of spending the remaining \$100,000,000 of Budget—an average of about \$4,000,000 apiece. But by this time you will probably feel that the comparatively small amount involved in each is hardly worth any more of your time or mine."

Communist Faces Charge Of Sedition

Sydney, March 28.

The General Secretary of the Australian Communist Party was charged with sedition today for pledging support to Russia, if Soviet troops should enter Australia.

The Communist leader, Lawrence Louis Sharkey, pleaded innocent at a special session of federal court. He elected to be tried by a jury.

Sharkey faces two charges—one of uttering seditious words and one of publishing seditious words on or about March 4.

Opening of the case revealed a split within trade unions generally considered Communist-dominated.

Many thousand members of the militant Longshoremen and Coal Miners Union refused to protest the prosecution of Sharkey. Of 23,000 men in the Wharf Labourers Union, only 5,000 obeyed an order of the federal executive to strike as the high court opened. There were no other major work stoppages.

This, said the newspaper Sydney Sun, gave the Communist leaders one of their greatest industrial rebuffs in years.

The statements quoted in the charges against Sharkey were made at the time Communist leaders in countries all around the world were stating their support for Russia in any future war. Sharkey is charged, in part, with having said, if Soviet forces in pursuit of aggressors enter Australia, Australian workers would welcome them.

The hearing was unfinished when the court adjourned until tomorrow.

The magistrate will commit Sharkey for trial by jury before a judge if he believed a case has been established against him.—Associated Press.

TO STUDY MUSIC IN EUROPE

Mr. Louis P. T. Chen, a Chinese archaeologist and specialist in ancient Chinese music, has arrived in Hong Kong on his way to London and Paris for an intensive study of Ancient Western music.

He said yesterday that he hopes to collect important material from the libraries and museums there for references in a book he is writing—"History of Oriental Music."

Mr. Chen, a master performer of the ancient Chinese harp, the "chun tsang," was recently in Malaya, where he gave a series of concerts sponsored by the Chinese consuls of the cities he visited.
On Thursday Mr. Chen will give a recital on the ancient harp at the Chinese YMCA 23 Waterloo Road, Kowloon, at 8 p.m. Admission programmes are obtainable from the British Council, Old Urban Council Building, Statue Square.

CHAU HONOURED AT DINNER

Mr. T. N. Chau, Honorary President of the Society of Chinese Accountants and Auditors and member of the Legislative and Executive Councils, was honoured last night at a dinner given by the Society members at the Chinese Bankers' Club.

In a short address Mr. Chau said that in accepting the present post he felt very much honoured, adding that henceforth he would try his best to iron out whatever difficulties the Society may encounter.
Mr. Chau was introduced by Dr. W. S. Wong of the W. S. Wong and Company.
An informal meeting to discuss the general welfare of the Society preceded the dinner.
The party was attended by...

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a.s. "CARTHAGE"	7th April	9th May
a.s. "CORFU"	8th May	4th June
a.s. "CANTON"	2nd June	11th July
a.s. "CARTHAGE"	30th June	1st August
a.s. "CORFU"	28th July	29th August

Via Southampton, Port Said, Aden, Bombay, Colombo, Penang & Singapore.

HOMEWARDS	LEAVES HONGKONG	DUE LONDON
a.s. "CANTON"	16th April	16th May
a.s. "CARTHAGE"	13th May	10th June
a.s. "CORFU"	14th June	11th July
a.s. "CANTON"	8th July	8th August
a.s. "CARTHAGE"	6th August	3rd September
a.s. "CORFU"	2nd September	2nd October

Via Singapore, Penang, Colombo, Bombay, Aden & Port Said.

FREIGHT SERVICE

a.s. "TREWELLARD"	due 15th Apr.	from London & Continent.
a.s. "TREVINE"	due 15th Apr.	from Shanghai & Japan.
a.s. "TREVINE"	due 19th Apr.	from Japan & Shanghai.
a.s. "TREVINE"	due 20th Apr.	from Straits, Rangoon, U.K. & Continent.
a.s. "SOCOTRA"	due 1st May	from London & Continent.
a.s. "SOCOTRA"	due 10th May	from London & Continent.
a.s. "SHILLONG"	due 19th May	from London & Continent.

* Fitted with tanks for the carriage of oil in bulk.

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a.s. "BIRDHANA"	due 11th Apr.	from Straits, Rangoon & Calcutta. Accepts Chinese & Madras cargo.
a.s. "TAIRA"	due 23rd Apr.	from Calcutta via Straits.
a.s. "TAIRA"	due 25th Apr.	from Japan & Amoy.
a.s. "RICHMOND HILL"	due 20th Apr.	from Bombay & Rangoon.
a.s. "RICHMOND HILL"	due 24th Apr.	from Japan (Far East/Domestic Service).
a.s. "BHIRALA"	due 30th Apr.	from Calcutta via Straits.
a.s. "BHIRALA"	due 5th May	from Japan via Amoy.
a.s. "SANGOLA"	due 29th Apr.	from Calcutta via Straits.
a.s. "SANGOLA"	due 7th May	from Straits & Calcutta.

* These ships have Refrigerated Cargo spaces.

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a.s. "EASTERN"	due 15th Apr.	from Japan & Shanghai.
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a.s. "NELLORE"	due end Apr.	from Australia.
a.s. "NELLORE"	due end May	from Manila, Rabaul & Australian Ports.

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M.V. OLUF MAERSK	"	Early June

SAILINGS TO EUROPE

M.V. HALLAND	Loading	
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JAVA-CHINA SERVICE

"TJISADANE"	In port	to Manila, Javaports & Macassar 12th March 11 a.m.
"TJIBADAK"	from Macassar & Javaports 2nd April.	to Shanghai 3rd April, to Javaports & Macassar 14th April.
"TJITJALENGKA"	from Macassar & Javaports 14th April.	to Shanghai 16th April, to Javaports & Macassar 28th April.

HONGKONG-MANILA-CHINA SERVICE

"TASMAN"	In port	to Manila & Amoy 29th March.
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SUMATRA-MALAYA-CHINA SERVICE

"VAN HEUTS"	from Amoy & Swatow 3rd April.	to Straits & B. Dell 4th April.
"VAN RIEMSDIJK"	from B. Dell & Straits 8th April.	to Amoy & Swatow 17th April.

ASIA-AFRICA-S. AMERICA SERVICE

"STRAAT MALAKKA"	from Japan 31st March.	to East & South Africa & South America, 2nd April.
"MOISSEVAIN"	from South America & South Africa, 9th April.	to Japan, 10th April, to East & South Africa & South America, 30th April.
"STRAAT SOENDA"	from Japan 21st May.	to East & South Africa & South America, 24th May.
"FEGELBERG"	from South America & South Africa, 22nd June.	to East & South Africa & South America, 22nd June.

All Steamers Calling Mombasa & L. Marques Direct.

Transshipment cargo on through B/L to Dar-Es-Salaam.

Zanzibar accepted on all sailings.

Agents: HOLLAND-ESTASIA LINE

Arrivals

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Hong Kong Stock Exchange

There are no signs of any break in the clouds over-hanging the market.

H.K. GOVT. LOANS:

4% Loan 1000.

5% Loan (1944 & 1945) 1000.

5% Loan (1946 & 1947) 1000.

5% Loan (1948 & 1949) 1000.

5% Loan (1950 & 1951) 1000.

5% Loan (1952 & 1953) 1000.

5% Loan (1954 & 1955) 1000.

5% Loan (1956 & 1957) 1000.

5% Loan (1958 & 1959) 1000.

5% Loan (1960 & 1961) 1000.

5% Loan (1962 & 1963) 1000.

5% Loan (1964 & 1965) 1000.

5% Loan (1966 & 1967) 1000.

5% Loan (1968 & 1969) 1000.

5% Loan (1970 & 1971) 1000.

5% Loan (1972 & 1973) 1000.

5% Loan (1974 & 1975) 1000.

5% Loan (1976 & 1977) 1000.

5% Loan (1978 & 1979) 1000.

5% Loan (1980 & 1981) 1000.

5% Loan (1982 & 1983) 1000.

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5% Loan (2012 & 2013) 1000.

5% Loan (2014 & 2015) 1000.

5% Loan (2016 & 2017) 1000.

5% Loan (2018 & 2019) 1000.

5% Loan (2020 & 2021) 1000.

5% Loan (2022 & 2023) 1000.

5% Loan (2024 & 2025) 1000.

5% Loan (2026 & 2027) 1000.

5% Loan (2028 & 2029) 1000.

5% Loan (2030 & 2031) 1000.

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5% Loan (2086 & 2087) 1000.

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5% Loan (2090 & 2091) 1000.

5% Loan (2092 & 2093) 1000.

5% Loan (2094 & 2095) 1000.

5% Loan (2096 & 2097) 1000.

5% Loan (2098 & 2099) 1000.

5% Loan (2100 & 2101) 1000.

5% Loan (2102 & 2103) 1000.

5% Loan (2104 & 2105) 1000.

5% Loan (2106 & 2107) 1000.

5% Loan (2108 & 2109) 1000.

5% Loan (2110 & 2111) 1000.

5% Loan (2112 & 2113) 1000.

CRITICISM OF THE TENANT ORDINANCE

Further criticism of the Landlord and Tenant Ordinance was made yesterday at the annual general meeting of the Hong Kong Land Investment and Agency Company, Limited. The Company made a net profit of HK\$1,745,240 during the year ended December 31 last.

Mr. D. F. Landale, Chairman of the Board of Directors, in his report to the shareholders said that the Ordinance has aggravated many of the abuses it set out to put right and is in need of review.

In his report, Mr. Landale said: "With the benefit of a full year's revenue from the additional floors constructed on Marina House, and the increase in rents permitted under the Landlord and Tenant Ordinance, 1947, it has been possible to recommend a dividend for the year of 13 pence, free of Tax, as against the same amount less 10 pence last year."

"This result is not spectacular but substantial building work is in hand and I hope that within 12 months your Capital will be earning a better return."

"Since the re-occupation of the Colony all your office buildings have been rehabilitated and your Directors have decided to proceed with the Central District development programme which was formulated some years before the Pacific War."

"Great difficulty has been experienced in deciding how this could best be done with the least amount of inconvenience to our tenants. The problem was where and how to chip the egg."

"As a first step three office floors were added to Marina House and alterations to the Gloucester Hotel released further space for office tenants."

"The Gloucester Hotel shows a moderate improvement in profitability as compared with 1947. Apart from an increase in the number of transient guests on daily rates, and a corresponding reduction in the number of temporary residents paying the cheaper rates, many of whom have now found houses or flats, room charges generally have remained unchanged."

"The structural alterations have placed the establishment on a better basis, more in keeping with the general character of your Company's other undertakings than when the main pre-occupation of the hotel management was the fluctuating ballroom and restaurant facilities."

"It is reassuring to note that, as regards the Gloucester Hotel, the control recently introduced by the Hotels Ordinance will not materially affect revenue from the rooms controlled."

"I should, however, point out that hotels generally operate on a narrower margin between turnover and overhead costs as compared with some other business enterprises. Many items of expenditure are some five or six times higher than in 1941, and the present results shown by your Hotel could not be achieved unless the rooms were almost continuously fully booked."

"More normal times may still be some way off but we must expect one day to have to face the possibility of a proportion of vacant rooms up to 20 per cent, without a fully compensating reduction in operating costs."

Wry Smile

Seconding the report and accounts, Mr. G. E. Marden said: "I cannot refrain from echoing the Chairman's remarks on the subject of Landlord and Tenant legislation."

"When we realize how loyally our own management has adhered to the letter and spirit of the Ordinance, it is only human of us to regret that the beneficiaries are not those potential sufferers from a housing shortage which it is right and proper that legislation should be designed to protect but to a large extent those businesses which, more fortunate than ourselves, have been able to pass on to the consumer a just proportion of their increased operating expenses."

"All shareholders will share the hope expressed by the Chairman that this state of affairs will be speedily remedied."

Mr. T. Williams and Mr. Albert Raymond were re-elected Directors of the Company. Mr. Marwick, Mitchell and Company, and Percy Smith and Company were re-elected auditors of the Company.

Present at the meeting were Messrs. D. F. Landale (Chairman), Sir Mun-Kam Lo, Mr. Raymond, Mr. H. D. Benham (Directors), and the following shareholders: Messrs. G. E. Marden, representing the Yangtze Finance Company, Forbes and Whitman Company, Hong Kong Realty Company, J. E. March, Wing Chuen Jones, A. Percy, C. W. L. Way, H. Gittins, J. H. Ross, R. Gordon, and G. W. Grey.

Production Decline In America

Washington, March 23. The Federal Reserve Board says that industrial production declined in February, sliding off with employment, prices and living costs. And it will probably go lower again in March.

The Board said February output dropped slightly more than one per cent from January and more than three per cent from the all time high rate reached last October and November. Production last February was also three per cent below the same month in 1948.

The Board's forecast of a probable further decline this month was based on the two weeks' coal mine shutdown ordered by the United Mine Workers' Union leader, John L. Lewis, plus reduced output of some other products including oil and rayon. The mine workers are to return to the pits on Monday.

February production was lower in both durable and non-durable goods. The drop in durable goods would have been greater except for record high steel production. The motorcar industry, still blessed with a heavy demand despite signs of further easing there, produced at a lower rate in February. The decline in non-durable goods was attributed to slackened activity in chemicals, oil, rayon, rubber products and the paper industry.—Associated Press.

MAERSK LINE

Notice To Consignees

The M/V "CHASTINE" MAERSK having arrived from New York and Ports of call. Consignees of Cargo are hereby notified that their goods are being landed and placed at their risk and expenses into the Hong Kong & Kowloon Wharf & Godown Company's godowns at Kowloon, where delivery may be obtained as soon as the goods are landed.

Optional cargo will not be landed here, unless notice has been given 48 hours prior to vessel's arrival, but carried on from port to port to the final port of call to which the option extends.

No claims will be admitted after the Goods have left the Godowns, and all goods remaining undelivered after the 3rd April, 1949 will be subject to rent.

All broken, chafed, and damaged Goods are to be left in the Godowns, where they will be examined on 1st April, 1949 at 10 a.m. by our Surveyors Messrs. Goddard & Douglas.

To comply with the General Bonded Warehouse Regulations consignees must have a Revenue Officer in attendance when damaged dutiable goods are examined.

All claims must reach us, before the 27th April, 1949, or they will not be recognized.

No Insurance will be effected.

JERSEN & CO., Agents.

Hong Kong, March 27, 1949.

NOTICE TO CONSIGNEES

P. O. B. I. & E. & A. BILLS OF LADING

Messrs. Goddard & Douglas will attend at 10 a.m. on Mondays and Thursdays within the free storage period to survey damaged cargo, and consignees are requested to have their representatives present. Urgent consignees' representatives are present at the Survey on claims can thereafter be admitted.

MACKINNON, MACKENZIE & CO.

Agents:

P. O. B. I. & E. & A. BILLS OF LADING

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